

PLACEMENT AGENT AGREEMENT

(for Placements of Municipal Securities)

April 2nd, 2020

Oconee County Industrial Development Authority
Watkinsville, Georgia

Oconee County, Georgia
Watkinsville, Georgia

Re: Oconee County Industrial Development Authority Taxable Refunding Revenue Bonds (Economic Development Projects), Series 2020

The Oconee County Industrial Development Authority (the “Issuer”) proposes to issue, offer, and sell in a private placement the above-referenced obligation of the Issuer (the “Bond”), issued in the original principal amount of \$7,790,000, for the purpose of (i) refunding the Oconee County Industrial Development Authority Revenue Bonds (Economic Development Projects), Series 2012, maturing in the years 2021 and 2023 through 2034, inclusive (the “Refunded Bonds”) and (ii) paying the costs of issuing the Bond. The Bond will be issued pursuant to a Bond Resolution adopted by the Issuer on April 2, 2020 (the “Bond Resolution”).

This Placement Agent Agreement (the “Agreement”) confirms the agreement between the Issuer, Oconee County, Georgia (the “Borrower”) and Stifel, Nicolaus & Company, Incorporated (the “Placement Agent”) as follows:

1. **Engagement.** The Issuer and the Borrower hereby engage the Placement Agent as their exclusive agent to assist the Issuer in placing the Bond on a best efforts basis with one or more purchasers each a “qualified institutional buyer” as defined in Rule 144A under the Securities Act of 1933 (the “Securities Act”) or an “accredited investor,” as defined in Rule 501(a)(1),(2),(3), or (7) under the Securities Act, as represented by each purchaser in an executed Investor Letter in the form attached as Exhibit A (the “Purchaser,” or the “Purchasers”) on a private placement basis (the “Placement”). Sale and delivery of the Bond by the Issuer and purchase by the Purchasers will occur on the day of closing (“Closing Date”). The Issuer and the Borrower acknowledge and agree that the Placement Agent’s engagement hereunder is not an agreement by the Placement Agent or any of its affiliates to underwrite or purchase the Bond or otherwise provide any financing to the Issuer. The Placement Agent hereby accepts this engagement upon the terms and conditions set forth in this Agreement.

2. **Fees and Expenses.**

For its services under this Agreement, the Borrower agrees to pay the Placement Agent a placement fee for its services under this Agreement of \$58,425.00, payable on the Closing Date.

3. **Disclosure and Due Diligence.**

(a) The Issuer and the Borrower prepared and provided the Placement Agent with a term sheet and/or other documents including financials, budgets, estimated debt service requirements and coverage, and underlying credit ratings (the "Information Package"), together a draft Bond Resolution and other legal documents to be used in connection with the Placement (together with all supplements, modifications, and additions thereto prior to the Closing Date, the "Placement Materials"). The Borrower acknowledges and agrees that it has prepared and is solely responsible for the completeness, truth, and accuracy of the Placement Materials and that the Placement Agent and each Purchaser may rely upon, as complete, true, and accurate, the Placement Materials and all information provided by the Borrower to the Placement Agent for use in connection with the Placement and that the Placement Agent does not assume any responsibility therefor.

(b) The Issuer and the Borrower will make available to each Purchaser and the Placement Agent such documents and other information which the Purchaser or the Placement Agent reasonably deems appropriate, will provide access to its officers, directors, employees, accountants, counsel and other representatives, and will provide each Purchaser and the Placement Agent the opportunity to ask questions and receive answers from knowledgeable individuals, including Bond Counsel and counsel to the Issuer and the Borrower (whose each shall receive and upon which they may rely) concerning the Issuer, the Borrower, the Bond, and the security therefor; it being understood that the Purchasers and the Placement Agent will rely solely upon such information supplied by the Issuer and its representatives without assuming any responsibility for independent investigation or verification thereof.

(c) In the event that the Placement Agent is unable to complete "due diligence" in order to form a reasonable basis for recommending the Bond to Purchasers either (1) because of the Issuer's or the Borrower's failure to comply with paragraph (a) or (b) of this paragraph or (2) because the Placement Agent uncovers "red flags" about the Issuer or the Borrower that cause the Placement Agent to be not satisfied that Placement Agent can in good faith recommend the Bond to Purchasers, the Placement Agent may terminate this Agreement without further obligation on the part of the Placement Agent to proceed with the Placement and without any obligation on the part of the Placement Agent to reimburse to the Borrower any monies advanced by the Borrower to the Placement Agent.

4. **Representations, Warranties, and Agreements of the Issuer.** As of the date of this Agreement, unless otherwise stated, the Issuer represents, warrants, and agrees with the Placement Agent that:

(a) The Issuer is a public corporation duly organized and existing under the laws of the State of Georgia (the "State") and with the power to adopt the Bond Resolution, perform

the agreements on its part contained therein and in the agreements approved thereby and cause the issuance of the Bond.

(b) The Issuer will not cause or permit any action to be taken in the placement of the Bond in violation of the requirements for exemption from registration or qualification of the Bond under all federal and applicable state securities laws and regulations.

(c) The Issuer has complied, and in all respects on the Closing Date will be in compliance, with all of the provisions of applicable law of the State.

(d) The Issuer: (1) has duly authorized and approved the execution and delivery of this Agreement; (2) has adopted the Bond Resolution; (3) has authorized and approved the Placement Materials and the delivery thereof to prospective Purchasers; and (4) has authorized and approved the execution and delivery of the Bond, the Intergovernmental Contract, dated as of May 1, 2020, between the Issuer and the County (the "Contract"), and the Escrow Deposit Agreement, dated as of May 1, 2020, between the Issuer and Regions Bank, Atlanta, Georgia, as escrow agent and as paying agent for the Refunded Bonds, as such documents are amended and supplemented to the Closing Date (the "Financing Documents"), and the performance of its obligations and the consummation by it of all other transactions contemplated thereby.

(e) On the Closing Date, the Financing Documents will have been duly authorized, executed, and delivered by the Issuer, and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute legal, valid and binding agreements of the Issuer enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against the Issuer in the State of Georgia.

(f) The Issuer is not, and on the Closing Date will not be, in breach of or default under any applicable law or administrative regulation of the State or any department, division, agency or instrumentality thereof, or of the United States, or any applicable judgment or decree or any loan agreement, note, resolution, certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and obligations under the Financing Documents, and the execution and delivery of the Financing Documents, the adoption of the Bond Resolution and the issuance of the Bond and compliance with the provisions of each will not conflict with or constitute a breach of or default under any applicable law or administrative regulation of the State or under any certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and Bond under the Financing Documents and the Bond.

(g) No action, suit, proceeding or investigation at law or in equity before or by any court, governmental agency, public board or body is, and on the Closing Date will not

be, pending or, to the knowledge of the Issuer, threatened: (i) in any way affecting the existence of the Issuer or the titles of the members of Authority to their respective offices, (ii) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bond or the levy, assessment or collection of taxes or collection or payment by the Borrower of any amounts pledged or to be pledged as security to pay the principal of and interest on Bond, (iii) in any way contesting or affecting the validity or enforceability of, or the power or authority of the Issuer to issue, adopt or to enter into (as applicable), the Bond, the Bond Resolution or the Financing Documents, (iv) contesting in any way the completeness, truth, or accuracy of the Placement Materials, or (v) except as disclosed in the Placement Materials, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Issuer or would result in any material adverse change in the ability of the Issuer to pledge or apply the security or source of payment of, or to pay debt service on the Bond.

(h) Regarding information provided by the Issuer to the Placement Agent:

(1) The Issuer will furnish the Placement Agent and the Purchaser with the Information Package. The Issuer represents and warrants that all information made available to the Placement Agent by the Issuer or contained in the Information Package, when provided will be, and will be at all times thereafter during the period of the engagement of the Placement Agent hereunder, be complete, true, and accurate in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in light of the circumstances under which such statements are made; or

(2) any forecasted financial or market information with respect to the Issuer or its market provided to the Placement Agent and each Purchaser by the Issuer has been or will be prepared in good faith with a reasonable basis for the assumptions and the conclusions reached therein.

(i) On the Closing Date, the Issuer will deliver or cause to be delivered to the Placement Agent:

(1) The opinion of Gray Pannell & Woodward LLP, Bond Counsel to the Issuer, dated the Closing Date relating to:

- (i) the validity of the Bond; and
- (ii) exemption from registration and qualification under federal and state securities law.

(2) The opinion of Daniel C. Haygood, Esq., counsel to the Issuer, dated the Closing Date, to the effect that no litigation before any court naming the Issuer as a party is pending or, to his/her knowledge, threatened in any way affecting the existence of the Issuer or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the

use of the proceeds thereof by or for the benefit of the Borrower or collection or application of payments made by the County pursuant to the Contract (the "Contract Payments") pledged or to be pledged to pay the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds or the Issuer Financing Documents, or in any way contesting the powers of the Issuer or its authority with respect to the Bonds or the Issuer Financing Documents;

(3) a reliance letter from Bond Counsel, dated the Closing Date and addressed to the Placement Agent in the form attached to this Agreement as Exhibit A, or such other form as is acceptable to the Placement Agent;

(4) a certificate of the Issuer, dated the Closing Date, stating:

- (i) the representations and warranties of the Issuer contained in this Agreement are true and correct as if made on the Closing Date;
- (ii) the Issuer has complied with and fully satisfied all of its agreements with and obligations to the Placement Agent under this Agreement; and

(4) An Investor Letter, in the form attached to this Agreement as Exhibit B, executed by each Purchaser and addressed to the Issuer, the Borrower, and the Placement Agent; and

(5) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Placement Agent or its counsel, if any, and Bond Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Issuer, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

5. **Representations, Warranties, and Covenants of the BORROWER.** As of the date of this Agreement, unless otherwise stated, the Borrower represents, warrants, and agrees with the Placement Agent that:

(a) The Borrower (i) is a political subdivision of the State, (ii) has duly authorized and approved the execution and delivery of this Agreement; (iii) has the full right, power, and authority to own its properties and assets, and to carry on its business as now being conducted by it, and as contemplated by this Agreement and the Contract (the "Borrower Financing Documents"; and, together with the Issuer Documents, the "Financing Documents"), and (iv) has the full right, power, and authority to execute and deliver the Borrower Financing Documents and to perform all the undertakings of the Borrower thereunder.

(b) As of the date hereof, the Borrower is not in any material respect in violation of, breach of, or default under any applicable law of the State or of any state in which the Borrower is authorized to do business or of the United States, or any order, rule, or regulation of any court or governmental agency or body having jurisdiction over the Borrower or any of its activities, properties or assets, or any indenture, mortgage, deed of trust, resolution, note agreement (including, without limitation, the Borrower Financing Documents) or the other agreement or instrument to which the Borrower is a party or by which the Borrower or any of its property or assets is bound, which violation or breach of or default would have a material adverse effect upon the transactions contemplated by this Agreement, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instruments; and the execution and delivery of the Borrower Financing Documents, the performance by the Borrower of its obligations thereunder, the consummation by the Borrower of the transactions contemplated thereby and compliance with the provisions on the Borrower's part contained therein, do not and will not conflict with or constitute on the part of the Borrower a violation or breach of or default under any law of the State or of any state in which the Borrower is authorized to do business or of the United States, or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Borrower or any of its activities, properties or assets, or any indenture, mortgage, deed of trust, resolution, note agreement (including, without limitation, the Borrower Financing Documents) or other agreement or instrument to which the Borrower is a party or by which the Borrower or any of its property or assets are bound which violation, breach or default would have a material adverse effect upon the transactions contemplated by this Agreement, nor will any such execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower or under the terms of any such law, regulation, or instrument, except as provided by the Bonds or the Borrower Financing Documents.

(c) On the Closing Date, the Borrower Financing Documents will constitute the valid, legal and binding obligations of the Borrower (assuming due authorization, execution and delivery by the respective other parties thereto, where necessary), enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws of general applicability affecting the enforcement of creditors' rights and to general principles of equity, regardless of whether such enforceability is considered in equity or in law.

(d) No consent, approval, authorization or order of any court or governmental body is required for the consummation by the Borrower of the transactions contemplated by this Agreement and the other Borrower Financing Documents.

(e) As of the date hereof, there is no action, suit, proceeding, inquiry or investigation of which the Borrower has been notified, at law or in equity, before or by any judicial or administrative court or governmental agency or body, state, federal or other, pending or, to the best knowledge of the Borrower, threatened against the Borrower, affecting the existence of the Borrower or the titles of its officers executing this Agreement

to their respective offices, or contesting or affecting as to the Borrower the validity or enforceability of the Bonds, any of the Borrower Financing Documents or the execution and delivery or adoption by the Borrower of any of the Borrower Financing Documents, or in any way contesting or challenging the powers of the Borrower or its authority with respect to the Borrower Financing Documents or the consummation of the transactions contemplated hereby or thereby; nor, to the best knowledge of the Borrower, is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial condition or operations of the Borrower or the validity of the authorization, execution, delivery or performance by the Borrower of any of the Borrower Financing Documents.

(f) Any certificate signed by the Borrower and delivered to the Placement Agent and the Issuer shall be deemed a representation and warranty by the Borrower to the Placement Agent and the Issuer as to the statements made therein.

(g) Regarding information provided by the Borrower to the Placement Agent:

(1)(i) The Borrower will furnish the Placement Agent and the Purchaser with the Information Package. The Borrower represents and warrants that all information made available to the Placement Agent by the Borrower or contained in the Information Package, when provided will be, and will be at all times thereafter during the period of the engagement of the Placement Agent hereunder, be complete, true, and accurate in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in light of the circumstances under which such statements are made; or

(2) except as otherwise indicated to the contrary in the Borrower's financial statements, all historical financial statements of the Borrower provided to the Placement Agent and each Purchaser will be prepared in accordance with generally accepted accounting principles and practices then in effect in the United States and will fairly present the financial condition and operations of the entities covered thereby in all material respects; or

(3) any forecasted financial or market information with respect to the Borrower or its market provided to the Placement Agent and each Purchaser by the Issuer has been or will be prepared in good faith with a reasonable basis for the assumptions and the conclusions reached therein.

(h) On the Closing Date, the Borrower will deliver or cause to be delivered to the Placement Agent:

(1) The opinion of Daniel C. Haygood, Esq., Counsel to the Borrower, dated the Closing Date, to the effect that no litigation before any court naming the Issuer as a party is pending or, to his/her knowledge, threatened in any way affecting the existence of the

Borrower or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection or application of Contract Payments pledged or to be pledged to pay the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds or the Borrower Documents, or in any way contesting the powers of the Borrower or its authority with respect to the Bonds or the Borrower Documents;

- (2) a certificate of the Borrower, dated the Closing Date, stating:
 - (i) the representations and warranties of the Borrower contained in this Agreement are true and correct as if made on the Closing Date; and
 - (ii) the Borrower has complied with and fully satisfied all of its agreements with and obligations to the Placement Agent under this Agreement.

6. **Termination.** This Agreement may be terminated by either party upon ten (10) business days' prior written notice.

7. **Regulatory Disclosure.** The Issuer and the Borrower acknowledge, in connection with the purchase and sale of the Bond, the offering of the Bond for sale and the discussions and negotiations relating to the terms of the Bond pursuant to and as set forth in this Agreement, that:

(a) the Placement Agent has acted at arm's length, is acting solely for its own account and is not agent of or advisor to (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), and owes no fiduciary duty to the Issuer or any other person,

(b) the Placement Agent's duties and obligations to the Issuer and the Borrower shall be limited to those contractual duties and obligations set forth in this Agreement,

(c) the Placement Agent may have interests that differ from those of the Issuer and/or the Borrower, and

(d) the Issuer and the Borrower have consulted its legal and financial advisors to the extent it deemed appropriate in connection with the offering and sale of the Bond. The Issuer and the Borrower further acknowledge and agree that they are responsible for making their judgment with respect to the offering and sale of the Bond and the process leading thereto. The Issuer and the Borrower agree that they will not claim that the Placement Agent acted as a Municipal Advisor to the Issuer or the Borrower or rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Issuer or the Borrower, in connection with the offering or sale of the Bond or the process leading thereto.

7. **Survival of Certain Representations and Obligations.** The respective agreements, covenants, representations, warranties and other statements of the Issuer and the Borrower and their officers set forth in or made pursuant to this Agreement shall survive delivery of and payment for the Bond and shall remain in full force and effect, regardless of any investigation, or statements as to the results thereof, made by or on behalf of the Placement Agent.

8. **Notices.** Any notice or other communication to be given to the Issuer or the Borrower under this Agreement may be given by delivering the same in writing to the Issuer the Borrower at their addresses set forth above. Any notice or other communication to be given to the Placement Agent under this Agreement may be given by delivering the same in writing to Stifel Nicolaus & Company, Inc., Atlanta, Georgia, Attention: Andrew E. Tritt, Managing Director.

10. **No Assignment.** This Agreement has been made by the Issuer, the Borrower and the Placement Agent, and no person shall acquire or have any right under or by virtue of this Agreement.

11. **Applicable Law.** This Agreement shall be interpreted, governed and enforced in accordance with the laws of the State of Georgia.

12. **Effectiveness.** This Agreement shall become effective upon its execution by duly authorized officials of all parties hereto and shall be valid and enforceable from and after the time of such execution.

13. **Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

14. **Counterparts.** This Agreement may be executed in several counterparts (including counterparts exchanged by email in PDF format), each of which shall be an original and all of which shall constitute but one and the same instrument.

Respectfully submitted,

STIFEL NICOLAUS & COMPANY, INC.



Andrew E. Tritt, Managing Director

ACCEPTED this 2nd day of April, 2020.

OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman

ATTEST:

By: _____
Clerk

OCONEE COUNTY, GEORGIA

By: _____
Chairman

ATTEST:

By: _____
Clerk

Respectfully submitted,

STIFEL NICOLAUS & COMPANY, INC.


Andrew E. Tritt, Managing Director

ACCEPTED this 2nd day of April, 2020.

OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

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