

**RESOLUTION
NO: 2021-9:**

**A RESOLUTION
TO BE ENTITLED:**

A RESOLUTION OF THE TOWN OF ST. FRANCISVILLE, LOUISIANA AUTHORIZING THE PURCHASE OF NATURAL GAS FROM CLARKE-MOBILE COUNTIES GAS DISTRICT; APPROVING THE EXECUTION AND DELIVERY OF A GAS SUPPLY AGREEMENT AND OTHER DOCUMENTS RELATING TO SAID PURCHASE; AUTHORIZING THE SALE OF GAS TO HOOD CONTAINER CORPORATION; APPROVING THE EXECUTION AND DELIVERY OF A NAESB BASE CONTRACT FOR THE SALE AND PURCHASE OF NATURAL GAS AND OTHER DOCUMENTS RELATING TO SAID SALE; APPROVING THE EXECUTION OF A MANAGEMENT AGREEMENT WITH THE LOUISIANA MUNICIPAL GAS AUTHORITY RELATED TO SUCH PURCHASES AND SALES; APPROVING THE EXECUTION OF AN AMENDMENT TO THE EXISTING SUPPLY AND MANAGEMENT AGREEMENT BETWEEN THE TOWN OF ST. FRANCISVILLE AND THE LOUISIANA MUNICIPAL GAS AUTHORITY; CONSENTING TO THE ASSIGNMENT OF CERTAIN OBLIGATIONS UNDER THE GAS SUPPLY AGREEMENT IN CONNECTION WITH THE ISSUANCE OF BONDS BY THE BLACK BELT ENERGY GAS DISTRICT; AND ADDRESSING RELATED MATTERS

WHEREAS, The Black Belt Energy Gas District (“BBE”) is a public corporation of the State of Alabama, organized and created under the laws of the State of Alabama, including the Alabama Gas Districts Act, § 11-50-390 et seq., Alabama Code (1975), as amended, with the power to sue and be sued, and to issue debt and;

WHEREAS, BBE was formed, among other reasons, to acquire secure, reliable and adequate long-term supplies of gas for resale to Clarke-Mobile Counties Gas District (the “District”) and to other governmentally owned wholesale customers for ultimate delivery to the residential, commercial, institutional, and industrial consumers in their areas of service, both inside and outside the State of Alabama, and to achieve cost savings, economies of scale and reliability of supply; and

WHEREAS, BBE has planned and developed a project to acquire long-term gas supplies from Aron Energy Prepay 6 LLC (“Prepay LLC”), a Delaware limited liability company, whereby Prepay LLC will purchase supply and management services from J. Aron & Company LLC, a New York limited liability company and a wholly-owned subsidiary of The Goldman Sachs Group, Inc.; and

WHEREAS BBE will purchase prepaid gas supplies from Prepay LLC pursuant to a Prepaid Natural Gas Sales Agreement to meet a portion of the requirements of the District and other public gas distribution systems and joint action agencies that elect to participate (each, a “Project Participant”) through a prepayment (the “Prepaid Gas Agreement”); and

WHEREAS, pursuant to its legal authority BBE will issue its Gas Supply Revenue Bonds, Series 2021 B, including any sub-series (the "Bonds"), to finance the acquisition of gas supplies under the Prepaid Gas Agreement; and

WHEREAS, the District has agreed to sell to the Town of St. Francisville, Louisiana ("Gas Purchaser") the quantities of gas it will purchase from BBE, for resale by Gas Purchaser to Hood Container Corporation ("Hood" or "Hood Plant") to meet a portion of Hood's gas requirements for operations at the Hood Plant; and

WHEREAS, Gas Purchaser has determined that it is in the best interest of its customers to purchase such gas from the District pursuant to a natural gas sales contract to be entered into by the District and Gas Purchaser (the "Gas Supply Agreement"); and

WHEREAS, under the Gas Supply Agreement, Gas Purchaser will agree to purchase from the District the amounts of gas specified in the Gas Supply Agreement, as such gas may be required by Hood, at the prices specified in the Gas Supply Agreement, for a term specified in the Gas Supply Agreement, and will sell such gas to Hood pursuant to the terms of a NAESB Base Contract for Sale and Purchase of Natural Gas, including a Transaction Confirmation (the "Downstream Supply Contract"); and

WHEREAS, the Bonds will be issued pursuant to a Trust Indenture between BBE and a corporate trustee (the "Indenture") and purchased by the underwriters or original purchasers of the Bonds (the "Underwriters") pursuant to one or more bond purchase agreements or similar agreements; and

WHEREAS, BBE will pledge to the payment of the Bonds certain assets of BBE, including the supply contract between BBE and the District and the District's rights and interest in the Gas Supply Agreement; and

WHEREAS, Gas Purchaser shall have no financial liability with respect to the Bonds, and Gas Purchaser's only obligations relating to the Prepaid Transaction shall be set forth in the Gas Supply Agreement; and

WHEREAS, in order to authorize the purchase of natural gas from the District and the execution of the Gas Supply Agreement, to authorize the sale of natural gas purchased under the Gas Supply Agreement to Hood for consumption at the Hood Plant, and the execution of the Downstream Supply Contract, to consent to the assignment of the Gas Supply Agreement to secure the Bonds, to authorize the sale of the gas purchased from the District, and to authorize and take such other necessary and appropriate action in furtherance of the Prepaid Transaction, the Town of St. Francisville, Louisiana adopts this Resolution.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Aldermen of the Town of St. Francisville, Louisiana (sometimes referred to in this Resolution as the "Governing Body"), as follows:

SECTION 1: The Town of St. Francisville, Louisiana ("Gas Purchaser") is authorized to enter into

a Gas Supply Agreement with the District, pursuant to which Gas Purchaser will purchase natural gas from the District Gas as provided in the Gas Supply Agreement. The Gas Supply Agreement shall (a) have a delivery term of not greater than 366 months, (b) provide for the purchase by Gas Purchaser of not more than an annual average over the term of the Gas Supply Agreement of 5,000 MMBtu per day, and (c) provide for a projected minimum savings (prior to payment of fees as set forth in the Gas Supply Agreement) through monthly and annual discounts of not less than \$0.35 per MMBtu to Gas Purchaser for the Initial Discount Period, and thereafter in each successive Reset Period (as defined in the Gas Supply Agreement) an amount that would ensure the projected minimum savings realized from the Initial Discount Period through the end of such Reset Period, excluding any Reset Period for which Purchaser delivered a Remarketing Election Notice (as defined in the Gas Supply Agreement), to be an average of no less than \$0.22 per MMBtu, and in all cases not less than \$0.20 per MMBtu, unless Gas Purchaser elects to purchase gas at a lesser discount during any Reset Period, as set forth in the Gas Supply Agreement.

SECTION 2: The Gas Supply Agreement shall be in substantially the form submitted and attached hereto as Attachment A, which such form is hereby approved, to include such completions, deletions, insertions, revisions, and other changes as may be approved by the officers executing same with the advice of counsel, their execution to constitute conclusive evidence of their approval of any such changes.

SECTION 3: The gas purchased by Gas Purchaser from the District shall be sold by Gas Purchaser to Hood under the Downstream Supply Contract pursuant to a published rate schedule or tariff.

SECTION 4: The Downstream Supply Contract shall be in substantially the form submitted and attached hereto as Attachment B, which such form is hereby approved, to include such completions, deletions, insertions, revisions, and other changes as may be approved by the officers executing same with the advice of counsel, their execution to constitute conclusive evidence of their approval of any such changes.

SECTION 5: The Mayor (the "Authorized Officer") is hereby authorized to execute and deliver the Gas Supply Agreement and the Downstream Supply Contract and the Town Clerk or other officer of Gas Purchaser (the "Attesting Officer") is hereby authorized to attest the Gas Supply Agreement and the Downstream Supply Contract.

SECTION 6: The officers, employees, and agents of Gas Purchaser are hereby authorized and directed to take such actions and do all things necessary to cause the purchase and sale of said gas to take place, including the payment of all amounts required to be paid in order to purchase the gas in accordance with the Gas Supply Agreement and sell the gas in accordance with the Downstream Supply Contract.

SECTION 7: The Governing Body consents to the assignment and pledge of all of the District's right, title and interest under the Gas Supply Agreement, including the right to receive performance by Gas Purchaser of its obligations thereunder, to secure the payment of principal of and interest on the Bonds.

SECTION 8: The officers and employees of Gas Purchaser, as well as any other agent or

representative of Gas Purchaser, are hereby authorized and directed to cooperate with and provide the District, the underwriters of the Bonds, and their agents and representatives with such information relating to Gas Purchaser as may be necessary for use in the preparation and distribution of a preliminary official statement or other disclosure document used in connection with the sale of the Bonds. After the Bonds have been sold, any officer or employee of Gas Purchaser, or any agent or representative designated by Gas Purchaser, shall make such completions, deletions, insertions, revisions, and other changes in the preliminary official statement relating to Gas Purchaser not inconsistent with this Resolution as are necessary or desirable to complete it as a final official statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The Board of Aldermen hereby covenants and agrees that Gas Purchaser will cooperate with BBE in the discharge of BBE's obligations to provide annual financial and operating information and notification as to material events with respect to Gas Purchaser as may be required by the Rule. Any officer or employee of Gas Purchaser, or such other agent or representative of Gas Purchaser as shall be appropriate, is hereby authorized and directed to provide such information as shall be required for such compliance, and such officer or employee may execute a continuing disclosure agreement with respect to the provision of such information if requested to do so by the underwriters of the Bonds.

SECTION 9: The Bonds are not obligations of Gas Purchaser but are limited obligations of BBE payable solely from the revenues and receipts pledged by BBE under the Indenture, including the revenues and receipts arising from the sale of gas to Project Participants, including the District. By consenting to the assignment of the Gas Supply Agreement and agreeing to provide information for inclusion in the official statement, Gas Purchaser is not incurring any financial liability with respect to the Bonds.

SECTION 10: All acts and doings of the officers and employees of Gas Purchaser or any other agent or representative of Gas Purchaser which are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and delivery of and performance under the Gas Supply Agreement, and in furtherance of the issuance and sale of the Bonds, shall be and the same hereby are in all respects approved and confirmed, including without limitation the execution and delivery by the officers of Gas Purchaser of all certificates and documents as they shall deem necessary in connection with the Gas Supply Agreement and the Bonds.

SECTION 11. Gas Purchaser is authorized to enter into a Management Agreement with the Louisiana Municipal Natural Gas Purchasing and Distribution Authority, d/b/a Louisiana Municipal Gas Authority ("LMGA") for the management of the gas supplies purchased under the Gas Supply Agreement and sold under the Downstream Supply Contract.

SECTION 12. The Management Agreement shall be in substantially the form submitted and attached hereto as Attachment C, which such form is hereby approved, to include such completions, deletions, insertions, revisions, and other changes as may be approved by the officers executing same with the advice of counsel, their execution to constitute conclusive evidence of their approval of any such changes.

SECTION 13. Gas Purchaser is authorized to enter into Amendment No. 1 to the Supply and Management Agreement (the “Amendment”) between Gas Purchaser and the LMGA, authorizing Gas Purchaser to purchase prepay gas from a third party.

SECTION 14. The Amendment shall be in substantially in the form submitted and attached hereto in Attachment D, which such form is hereby approved, to include such completions, deletions, insertions, revisions, and other changes as may be approved by the officers executing same with the advice of counsel, their execution to constitute conclusive evidence of their approval of any such changes.

SECTION 15: If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 16: All other resolutions or orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption.

SECTION 17: This Resolution shall take effect immediately upon its adoption.

Adopted and approved by the Board of Aldermen of the Town of St. Francisville, Louisiana this 24th day of August 2021.

Robert P. Leake, Mayor

I, Shannon Sturgeon, do hereby certify that I am the duly qualified and acting Clerk of Town of St. Francisville, and as such official I further certify that the foregoing is a true and correct copy of a resolution adopted by the Board of Aldermen of the Town of St. Francisville, Louisiana at a meeting, a quorum being present and acting throughout, held on August 24, 2021.

Shannon Sturgeon, Town Clerk

ATTACHMENT A
FORM OF GAS SUPPLY AGREEMENT

ATTACHMENT B
FORM OF DOWNSTREAM SUPPLY CONTRACT

ATTACHMENT C

FORM OF MANAGEMENT
AGREEMENT

ATTACHMENT D

FORM OF AMENDMENT TO SUPPLY AND MANAGEMENT AGREEMENT