Draft No. 2
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Prepared by and Return to:

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DEED OF TRUST AND SECURITY AGREEMENT

NORTH CAROLINA
POLK COUNTY

This DEED OF TRUST AND SECURITY AGREEMENT, dated as of November 24, 2026 (the "Deed of Trust"), from the COUNTY OF POLK, NORTH CAROLINA, a body politic and corporate duly organized and validly existing under the Constitution and laws of the State of North Carolina (the "County"), to THE FIDELITY COMPANY, as trustee (the "Deed of Trust Trustee"), for the benefit of WEBSTER PUBLIC FINANCE CORPORATION, a subsidiary of Santander Bank, N.A., and its successors and assigns hereinafter mentioned (the "Beneficiary");

WITNESSETH:

WHEREAS, the County has entered into an Installment Financing Agreement, of even date herewith (the "Agreement"), with the Beneficiary, whereby the Beneficiary agrees to advance moneys to the County for financing the costs of the Project (as defined in the Agreement) and related financing costs, and the County agrees to repay the moneys advanced to the County in installments due at the times and in the amounts set forth in Exhibit A to the Agreement (the "Installment Payments") and to pay certain additional payments as more fully provided therein;

COLLATERAL IS OR INCLUDES FIXTURES

WHEREAS, pursuant to the Agreement, the County is delivering this Deed of Trust to secure the repayment by the County to the Beneficiary of the moneys advanced and all other sums payable under the Agreement and to secure the other obligations of the County under the Agreement and this Deed of Trust;

WHEREAS, the County has agreed to pay to the Beneficiary the sum of $11,811,000, representing the moneys advanced, as evidenced by, and payable as provided in, the Agreement, with interest payable at the times and rate specified therein, with a final Installment Payment being due and payable on January 1, 2047;

WHEREAS, the County desires to secure (a) the payment of the Installment Payments due under the Agreement, (b) the payment by the County of all additional payments required to be paid by the County under the Agreement and the performance by the County of all of the additional covenants of the County set forth in the Agreement and (c) the performance of the covenants and agreements contained in this Deed of Trust, and any amendments and supplements hereto or thereto; and

WHEREAS, the County desires to execute and deliver this Deed of Trust as security for the payment of the amounts described above and the performance of the covenants described above;

NOW, THEREFORE, the County, subject to Permitted Encumbrances (as defined in the Agreement), as security for the Installment Payments and other payments to be made by the County under the Agreement and for the performance by the County of all of its obligations under the Agreement and this Deed of Trust, and in further consideration of the sum of $1.00 paid to the County by the Deed of Trust Trustee, receipt and sufficiency of which are hereby acknowledged, has given, granted, bargained and sold, and by these presents does give, grant, bargain, sell and convey unto the Deed of Trust Trustee, its successors and assigns, in trust, with power of sale, the real property lying and being in Polk County in the State of North Carolina, constituting so much thereof as constitutes real property or fixtures, and more particularly described as set forth in Exhibit A attached hereto and made a part hereof; TOGETHER with all buildings, improvements and fixtures of every kind and description now or hereafter erected or located thereon, all rights, appurtenances, easements, privileges, remainders and reversions appertaining thereto and all materials intended for construction, reconstruction, alteration and repair of such buildings and improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the premises hereby conveyed immediately upon the delivery thereof to the aforesaid real property, and all apparatus, equipment, fixtures and articles of personal property now or hereafter attached thereto as fixtures, and replacements thereof, including, but not limited to, all heating, refrigerating, air conditioning, gas, plumbing and electric apparatus and equipment, all boilers, engines, motors, power equipment, piping and plumbing fixtures, pumps, tanks, lighting equipment and systems, fire prevention and sprinkling equipment and systems, and other things now or hereafter thereon or therein, including all interests of any owner thereof in any of such items, and all renewals or replacements thereof or articles in substitution thereof; TOGETHER with all rents, issues, profits and revenues of the aforesaid real property, fixtures and other property and all of the right, title and interest of the County in and to any and all leases and contracts now or hereafter affecting the real property, fixtures and other property covered hereby or any part thereof; TOGETHER with all proceeds of any of the foregoing real property and

fixtures including, without limitation, proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, without limitation, all awards and other payments as a result of or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain by any governmental authority ("Eminent Domain"), all insurance proceeds and claims therefor as a result of damage to or destruction of all or any part of the foregoing, and all proceeds of title insurance with respect to all or any part of any of the foregoing (the real property, fixtures and proceeds granted to the Deed of Trust Trustee pursuant to the foregoing provisions hereof being collectively referred to as the "Mortgaged Property");

TO HAVE AND TO HOLD the Mortgaged Property, with all the rights, privileges and appurtenances thereunto belonging or appertaining to the Deed of Trust Trustee, its heirs, successors and assigns, in fee simple forever, upon the trusts and for the uses and purposes hereinafter set out;

AND THE COUNTY COVENANTS to and with the Deed of Trust Trustee and the Beneficiary that the County is seized of the Mortgaged Property in fee, that the County has the right to convey the Mortgaged Property in fee simple, that the Mortgaged Property is free and clear from all encumbrances and restrictions other than Permitted Encumbrances, that such Permitted Encumbrances will not materially impair the use of the Mortgaged Property for its intended purpose, and that the County does hereby forever warrant and will forever defend the title to the Mortgaged Property (except for Permitted Encumbrances) against the claims of all persons whatsoever; provided, however, that

THIS CONVEYANCE IS MADE UPON THIS SPECIAL TRUST, that if the County shall make all of the payments required under the Agreement secured hereby in accordance with its terms, together with interest thereon and all taxes, charges, assessments and any premiums for insurance hereby secured, and, further, shall comply with all the covenants, terms and conditions of this Deed of Trust and the Agreement and any amendments and supplements thereto, then this conveyance shall be null and void and may be canceled of record at the request and at the cost of the County.

THE COUNTY FURTHER COVENANTS, REPRESENTS AND AGREES AS FOLLOWS:

Section 1. Amount Secured; Maintenance and Modification of Mortgaged Property by County. This Deed of Trust secures all present and future indebtedness owing by the County under the Agreement and this Deed of Trust. The principal amount of the indebtedness is $11,811,000.

The Deed of Trust Trustee shall not be under any obligation to operate, maintain or repair the Mortgaged Property. The County agrees that it will at its own expense (a) keep the Mortgaged Property in as reasonably safe condition as its operations shall permit, (b) keep the Mortgaged Property in good repair and in good operating condition, (c) comply with all applicable governmental requirements imposed upon the Mortgaged Property or in connection with its use and (d) make from time to time all necessary repairs thereto and renewals and replacements thereof.

Subject to the provisions of the Agreement, the County may also, at its own expense, make from time to time any additions, modifications or improvements to the real property covered hereby that it may deem desirable and that do not materially impair the effective use, nor materially decrease the value, of the Mortgaged Property. All such additions, modifications and improvements so made by the County within the boundaries of the Mortgaged Property shall become a part of the Mortgaged Property. The County will do, or cause to be done, all such things as may be required by law in order fully to protect the security and all rights of the Beneficiary under this Deed of Trust. The County shall not cause or permit the lien of this Deed of Trust to be impaired in any way.

Section 2. Grant and Release of Easements; Release of Property. If no Event of Default under this Deed of Trust shall have occurred and shall continue to exist, the County may at any time or times grant easements, licenses, rights of way and other rights or privileges in the nature of easements with respect to any part of the Mortgaged Property, and the County may release existing interests, easements, licenses, rights of way and other rights or privileges with or without consideration, and the Beneficiary agrees that it shall execute and deliver and will cause, request or direct the Deed of Trust Trustee to execute and deliver any instrument necessary or appropriate to grant or release any such interest, easement, license, right of way or other right or privilege but only upon receipt of (a) a copy of the instrument of grant or release, (b) a written application signed by an authorized representative of the County requesting such instrument and (c) a certificate executed by an authorized representative of the County stating that the grant or release (i) is not detrimental to the proper conduct of the operations of the County at the Mortgaged Property, (ii) will not impair the effective use of or interfere with the operations of the County at the Mortgaged Property and (iii) following such release, the value of the security under this Deed of Trust will not be less than the outstanding principal amount of Installment Payments still owing under the Agreement. The Beneficiary may request appraisals or other evidence satisfactory to the Beneficiary to support the certificate required by clause (iii) above.

Section 3. Default; Remedies of the Deed of Trust Trustee and Beneficiary Upon Default. (a) If any of the following events shall occur:

(i) default in any payment under the Agreement or default in any of the other terms or conditions of the Agreement secured hereby and the expiration of any applicable grace or notice periods provided thereby;

(ii) failure by the County to observe and perform any warranty, covenant, condition or agreement on the part of the County under this Deed of Trust other than Section 6 hereof for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the County by the Beneficiary unless the Beneficiary shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be reasonably corrected within the applicable period, and if corrective action is instituted by the County within the applicable period, the County shall have such additional period of time to correct the failure as shall be necessary, so long as such correction is diligently pursued;

(iii) any lien, charge or encumbrance prior to or affecting the validity of this Deed of Trust is found to exist, other than Permitted Encumbrances, or proceedings are instituted

to enforce any lien, charge or encumbrance against any of said Mortgaged Property and such lien, charge or encumbrance would be prior to the lien of this Deed of Trust;

then and in any of such events (hereinafter referred to as an "Event of Default"), all payments under the Agreement shall, at the option of the Beneficiary, become at once due and payable, regardless of the maturity date or other due date thereof.

(b) Upon the occurrence of an Event of Default:

(i) To the extent permitted by law, the Deed of Trust Trustee shall have the right to enter upon the Mortgaged Property to such extent and as often as the Deed of Trust Trustee, in his sole discretion, deems necessary or desirable in order to cure any default by the County. The Deed of Trust Trustee may take possession of all or any part of the Mortgaged Property and may hold, operate and manage the same, and from time to time make all needful repairs and improvements as shall be deemed expedient by the Deed of Trust Trustee; and the Deed of Trust Trustee may lease any part of the Mortgaged Property in the name of and for the account of the County, and collect, receive and sequester the rent, revenues, receipts, earnings, income, products and profits therefrom, and out of the same and from any moneys received from any receiver of any part thereof pay, and set up proper reserves for the payment of, all proper costs and expenses of so taking, holding and managing the same, including reasonable compensation to the Deed of Trust Trustee, his agents and counsel, and any taxes and assessments and other charges prior to the lien of this Deed of Trust which the Deed of Trust Trustee may deem it proper to pay, and all expenses of such repairs and improvements, and apply the remainder of the moneys so received in accordance with the provisions hereof.

(ii) To the extent permitted by law, the Deed of Trust Trustee shall have the right after an Event of Default to the appointment of a receiver to collect the rents and profits from the Mortgaged Property without consideration of the value of the premises or the solvency of any person liable for the payment of the amounts then owing, and all amounts collected by the receiver shall, after expenses of the receivership, be applied to the payment of the obligations hereby secured, and the Deed of Trust Trustee, at his option, in lieu of an appointment of a receiver, shall have the right to do the same. If such receiver should be appointed or if there should be a sale of the said premises, as provided below, the County, or any person in possession of the premises thereunder, as tenant or otherwise, shall become a tenant at will of the receiver or of the purchaser and may be removed by a writ of ejectment, summary ejectment or other lawful remedy.

(iii) The Deed of Trust Trustee shall have the right to assign to any other person, for lawful consideration, any rents, revenues, earnings, income, products and profits receivable under this Deed of Trust, provided that the proceeds of any such assignment shall be applied as provided in this Deed of Trust.

(iv) The Deed of Trust Trustee is hereby authorized and empowered to expose to sale and to sell the Mortgaged Property or such part or parts thereof or interests therein as the Deed of Trust Trustee deems prudent at public auction for cash, and upon collection of the proceeds from such sale to make and deliver a deed therefor, after first having complied

with all applicable requirements of North Carolina law with respect to the exercise of powers of sale contained in deeds of trust. The County agrees that in the event of a sale hereunder, the Beneficiary shall have the right to bid at it and to become the purchaser. The Beneficiary may credit against its bid the amount outstanding under the Agreement (subject to the payment of any costs and expenses of such sale and any payment of any taxes and assessments then constituting a lien against said premises other than those advertised and sold subject to as provided in Section 4 hereof). The Deed of Trust Trustee may require the successful bidder at any sale to deposit immediately with the Deed of Trust Trustee cash or a certified check in an amount not to exceed five percent (5%) of his bid, provided notice of such requirement is contained in the advertisement of the sale. The bid may be rejected if the deposit is not immediately made and thereupon the next highest bidder may be declared to be the successful bidder. Such deposit shall be refunded in case a resale is had; otherwise it shall be applied to the purchase price. The sale of the Mortgaged Property or any part thereof or any interest therein, whether pursuant to judicial foreclosure, foreclosure under power of sale or otherwise under this Deed of Trust, shall forever bar any claim with respect to the Mortgaged Property by the County.

(v) To the extent permitted by law, the Beneficiary, immediately and without additional notice and without liability therefor to the County, may do or cause to be done any or all of the following: (A) take physical possession of the Mortgaged Property; (B) exercise its right to collect the rents and profits thereof; (C) enter into contracts for the completion, repair and maintenance of the Mortgaged Property; (D) expend any rents, income and profits derived from the Mortgaged Property for payment of any taxes, insurance premiums, assessments and charges for completion, repair and maintenance of the Mortgaged Property, preservation of the lien of this Deed of Trust and satisfaction and fulfillment of any liabilities or obligations of the County arising out of or in any way connected with the Mortgaged Property whether or not such liabilities and obligations in any way affect, or may affect, the lien of this Deed of Trust; (E) enter into leases demising the Mortgaged Property or any part thereof; (F) take such steps to protect and enforce the specific performance of any covenant, condition or agreement in this Deed of Trust or the Agreement or to aid the execution of any power herein granted; and (G) generally, supervise, manage, and contract with reference to the Mortgaged Property as if the Beneficiary were the equitable owner of the Mortgaged Property. The County also agrees that any of the foregoing rights and remedies of the Beneficiary may be exercised at any time independently of the exercise of any other such rights and remedies, and the Beneficiary may continue to exercise any or all such rights and remedies until the Event(s) of Default of the County are cured with the consent of the Beneficiary or until foreclosure and the conveyance of the Mortgaged Property to the high bidder or until the indebtedness secured hereby is otherwise satisfied or paid in full.

(vi) The Beneficiary may proceed against the fixtures referred to in Section 12 as provided in and in accordance with the applicable provisions of the Uniform Commercial Code as adopted by the State of North Carolina, as amended (the "UCC") or, at its election, may proceed and may instruct the Deed of Trust Trustee to proceed as to the portion of the Mortgaged Property constituting fixtures, in accordance with its rights and remedies with respect thereto and those granted to the Deed of Trust Trustee, all as set forth in this Deed of Trust. Subject to any limitations imposed by the applicable provisions of the UCC, the

Beneficiary may sell, lease, or otherwise dispose of all or any part of the fixtures, at public or private sale, for cash or on credit, as a whole or in part, and the Beneficiary may at such sale or sales purchase the fixtures or any part thereof. The proceeds of such sale, lease, collection or other disposition shall be applied first to the costs and expenses of the Beneficiary incurred in connection with such sale, lease, collection or other disposition, and then to such outstanding balance due on any and all indebtedness owed to the Beneficiary. Further, the Beneficiary may require the County to assemble the fixtures, or evidence thereof, and make them reasonably available to the Beneficiary at one or more places to be designated by the Beneficiary which are reasonably convenient to the Beneficiary, and the Beneficiary may take possession of the fixtures and hold, prepare for sale, lease or other disposition and sell, lease or otherwise dispose of the fixtures. Any required notice by the Beneficiary of sale or other disposition or default, when mailed to the County at its address set forth herein, shall constitute reasonable notice to the County. In addition to, but not in limitation of, any of the foregoing, the Beneficiary may exercise any or all of the rights and remedies afforded to the Beneficiary by the provisions of the UCC or otherwise afforded to the Beneficiary under this Deed of Trust, with all such rights and remedies being cumulative and not alternative, and the County agrees, to the extent permitted by law, to pay the reasonable costs of collection, including, in addition to the costs and disbursements provided by statute, reasonable attorneys' fees and legal expenses which may be incurred by the Beneficiary subject to the procedures and limitations set forth in Section 6-21.2 of the General Statutes of North Carolina, as amended.

In all such cases, the Beneficiary shall have the right to direct the Deed of Trust Trustee to exercise the remedies granted hereunder.

(c) The County also agrees that any of the foregoing rights and remedies of the Beneficiary may be exercised at any time independently of the exercise of any other such rights and remedies, and the Beneficiary may continue to exercise any or all such rights and remedies until the Event(s) of Default of the County are cured with the consent of the Beneficiary or until foreclosure and the conveyance of the Mortgaged Property to the high bidder or until the indebtedness secured hereby is otherwise satisfied or paid in full.

(d) The County hereby waives, to the full extent it lawfully may, the benefit of all appraisement, valuation, stay, moratorium, exemption from execution, extension and redemption laws and any statute of limitations, now or hereafter in force and all rights of marshalling in the event of the sale of the Mortgaged Property or any part thereof or any interest therein.

(e) Except as set forth in (f), the foregoing shall in no way be construed to limit the powers of sale or to restrict the discretion the Deed of Trust Trustee may have under the provisions of Article 2A of Chapter 45 of the General Statutes of North Carolina, as amended. Each legal, equitable or contractual right, power or remedy of the Deed of Trust Trustee now or hereafter provided herein or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power and remedy, and the exercise or beginning of the exercise by the Deed of Trust Trustee of any one or more of such rights, powers and remedies shall not preclude the simultaneous or later exercise of any or all such other rights, powers and remedies.

(f) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, NO DEFICIENCY JUDGMENT SHALL BE RENDERED AGAINST THE COUNTY IN ANY ACTION FOR BREACH BY THE COUNTY OF ITS OBLIGATIONS UNDER THE AGREEMENT OR THIS DEED OF TRUST, OR FOLLOWING THE EXERCISE BY THE COUNTY OF ITS RIGHT OF TERMINATION OF ITS OBLIGATION TO MAKE THE INSTALLMENT PAYMENTS AND ANY ADDITIONAL PAYMENTS UNDER THE AGREEMENT; THE REMEDIES PROVIDED UNDER THIS DEED OF TRUST, INCLUDING FORECLOSURE AND SALE OF THE MORTGAGED PROPERTY UNDER THIS DEED OF TRUST, BEING THE SOLE REMEDY GRANTED HEREBY. THE TAXING POWER OF THE COUNTY IS NOT AND MAY NOT BE PLEDGED IN ANY WAY, DIRECTLY OR INDIRECTLY TO SECURE THE PAYMENT OF ANY MONEYS DUE UNDER THE AGREEMENT, INCLUDING THE INSTALLMENT PAYMENTS UNDER THE AGREEMENT OR ANY OTHER INSTRUMENT CONTEMPLATED HEREBY OR THEREBY.

Section 4. Application of Proceeds. The proceeds of (a) the operation and management of the Mortgaged Property pursuant to Section 3 hereof, (b) any sale of the Mortgaged Property or any interest therein, whether pursuant to judicial foreclosure, foreclosure under power of sale or otherwise and (c) any insurance policies or eminent domain awards or other sums (other than awards or sums to which the County is entitled under the Agreement) retained by the Deed of Trust Trustee upon the occurrence of an Event of Default shall be applied to pay:

First: The costs and expenses of sale, reasonable attorneys' fees actually incurred at standard hourly rates to the extent permitted by Section 6-21.2 of the General Statutes of North Carolina, as amended, the Beneficiary's fees and expenses, court costs, any other expenses or advances made or incurred in the protection of the rights of the Beneficiary or in the pursuance of any remedies hereunder and the Deed of Trust Trustee's commission payable under Section 5 hereof;

Second: All taxes and assessments then constituting a lien against said premises other than those advertised and sold subject to;

Third: Any indebtedness secured by this Deed of Trust and at the time due and payable (whether by acceleration or otherwise), including all amounts of principal and interest at the time due and payable with respect to the Installment Payments, and interest on any overdue principal at a rate per annum equal to the original interest rate payable with respect to the Installment Payments; and

Fourth: The balance, if any, to the persons then entitled thereto under the Agreement.

Section 5. Deed of Trust Trustee's Commission. In the event of a consummated sale under the power of sale contained herein, the Deed of Trust Trustee's commission shall be a reasonable commission for services rendered not to exceed five percent (5%) of the highest bid thereat.

It is further provided that in the event foreclosure is terminated upon the request of the County prior to delivery of the deed by the Deed of Trust Trustee, the County shall pay the Deed

of Trust Trustee all costs and expenses incident to the foreclosure, including reasonable compensation for services rendered; together with attorneys' fees actually incurred at standard hourly rates to the extent permitted by Section 6-21.2 of the General Statutes of North Carolina, as amended.

It is further provided that the compensation herein allowed to the Deed of Trust Trustee shall constitute indebtedness secured hereby on the Mortgaged Property immediately upon request of sale.

Section 6. General Covenant. The County shall pay the amounts due under the Agreement and shall observe and perform all covenants, conditions and agreements contained in the Agreement, and any amendments and supplements thereto.

Section 7. Payment of Costs, Attorneys' Fees and Expenses. The County shall pay, to the extent permitted by law, any and all costs, attorneys' fees and other expenses of whatever kind incurred by the Beneficiary or the Deed of Trust Trustee in connection with (a) obtaining possession of the Mortgaged Property, (b) the protection and preservation of the Mortgaged Property, (c) the collection of any sum or sums secured hereby, (d) any litigation involving the Mortgaged Property, this trust, any benefit accruing by virtue of the provisions hereof, or the rights of the Deed of Trust Trustee or the Beneficiary, (e) the presentation of any claim under any administrative or other proceeding in which proof of claim is required by law to be filed, (f) any additional examination of the title to the Mortgaged Property which may be reasonably required by the Beneficiary or the Deed of Trust Trustee, (g) taking any steps whatsoever in enforcing this Deed of Trust, claiming any benefit accruing by virtue of the provisions hereof, or exercising the rights of the Beneficiary hereunder, or (h) any proceeding, legal or otherwise, which the Beneficiary shall deem necessary to sustain the lien of this Deed of Trust or its priority. If the County shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 of this Deed of Trust.

Section 8. Insurance and Taxes. Pursuant to the Agreement, the County will obtain and maintain certain insurance and will pay all lawful taxes, assessments and charges, if any, at any time levied or assessed upon or against the Mortgaged Property or any part thereof; provided, however, that nothing contained in this Deed of Trust shall require the maintenance of insurance or the payment of any such taxes, assessments or charges if the same are not required to be paid under the Agreement. If the County shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 of this Deed of Trust.

Section 9. No Assignment or Encumbrance of the Mortgaged Property. Except as permitted by the Agreement and this Deed of Trust, the County shall not sell, transfer, exchange, lease, mortgage, encumber, pledge, assign or otherwise dispose of the Mortgaged Property or any interest therein or part thereof without the prior written consent of the Beneficiary. Any such disposition or encumbrance of the Mortgaged Property or any interest therein or any part thereof other than Permitted Encumbrances without such prior written consent shall, at the option of the Beneficiary, constitute a default hereunder, giving rise to all of the remedies herein provided for an Event of Default.

Section 10. Advances by Beneficiary. The Beneficiary is authorized, but is not required to, for the account of the County, to make any required payments under any lien prior hereto or under this Deed of Trust, the non-payment of which would constitute a default, including but not limited to principal payments, interest payments, premium payments, if any, taxes and insurance premiums. All sums so advanced shall attach to and become part of the debt secured hereby, shall become payable at any time on demand therefor and, from the date of the advance to the date of repayment, any sum so advanced shall bear interest at a rate of eight percent (8%) per annum. The failure to make payment on demand shall, at the option of the Beneficiary, constitute a default hereunder, giving rise to all of the remedies herein provided for an Event of Default. If the County shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 of this Deed of Trust.

Section 11. The Deed of Trust Trustee. The Deed of Trust Trustee shall be under no duty to take any action hereunder except as expressly required, or to perform any act which would involve him in expense or liability or to institute or defend any suit in respect hereof, unless properly indemnified to his satisfaction by the Beneficiary. All reasonable expenses, charges, counsel fees and other disbursements incurred by the Deed of Trust Trustee in and about the administration and execution of the trusts hereby created, and the performance of its duties and powers hereunder, shall, to the extent permitted by law, be secured by this Deed of Trust prior to the indebtedness represented by the Agreement, and such amounts not paid when due shall, to the extent permitted by law, bear interest at a rate of eight percent (8%) per annum. If the County shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 of this Deed of Trust.

Section 12. Security Interest in Fixtures. **COLLATERAL IS OR INCLUDES FIXTURES.** With respect to any portion of the Mortgaged Property which is or may become fixtures, this Deed of Trust shall constitute a financing statement filed as a fixture filing. The lien upon fixtures granted herein and perfected hereby shall be in addition to and not in lieu of any lien upon fixtures acquired under real property law. The fixtures are located on the land described on Exhibit A, and the County is the record owner of that land. The name and address of the County, as debtor, and the Beneficiary, as secured party, are set forth in Section 16. This Deed of Trust is intended to be a security agreement pursuant to the Uniform Commercial Code, as in effect in the State of North Carolina.

Section 13. Leases. The County shall keep, observe and perform all of the covenants, agreements, terms, conditions and provisions on its part to be kept, observed or performed under any leases involving all or any part of the Mortgaged Property, shall require tenants to keep, observe and perform all of the covenants, agreements, terms, conditions and provisions on their part to be kept, observed or performed under any such leases and shall not suffer or permit any breach or default to occur with respect to the foregoing. In the event of a default by the County under any lease involving all or any part of the Mortgaged Property, the Beneficiary shall have the right to perform or to require performance of any such covenants, agreements, terms, conditions or provisions of such leases, and to add any expense incurred in connection therewith to the debt secured hereby. Any such expense incurred by the Beneficiary shall be immediately due and payable. If the County shall fail to make any payment required to be made by the foregoing

covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 3 of this Deed of Trust.

Section 14. Additional Documents. The County agrees to execute and deliver to the Beneficiary, concurrently with the execution of this Deed of Trust and upon the request of the Beneficiary from time to time hereafter, all financing statements and other documents reasonably required to perfect and maintain the lien or security interest created hereby. For the period in which the indebtedness of the County to the Beneficiary remains unpaid, the County hereby irrevocably makes, constitutes and appoints the Beneficiary as the true and lawful attorney in fact of the County, to the extent permitted by law, to sign the name of the County on any financing statement, continuation of financing statement or similar document required to perfect or continue such security interests.

Section 15. Environmental Issues. The County for itself, its successors and assigns represents, warrants and agrees that, except as disclosed in writing to the Beneficiary by the County, (a) neither the County nor, to the best of the County's knowledge, any other person has improperly used or installed any Hazardous Material (as hereinafter defined) on the Mortgaged Property or received any notice from any governmental agency, entity or other person with regard to Hazardous Materials on, from or affecting the Mortgaged Property; (b) neither the County nor, to the best of the County's knowledge, any other person has violated any applicable Environmental Laws (as hereinafter defined) relating to or affecting the Mortgaged Property; (c) to the best of the County's knowledge, the Mortgaged Property is presently in compliance with all Environmental Laws and there are no circumstances presently existing upon or under the Mortgaged Property, or relating to the Mortgaged Property which may violate any applicable Environmental Laws, and there is not now pending, or threatened, any action, suit, investigation or proceeding against the County relating to the Mortgaged Property (or against any other party relating to the Mortgaged Property) seeking to enforce any right or remedy under any of the Environmental Laws; (d) the Mortgaged Property shall be used to generate, manufacture, refine, transport, treat, store, handle, dispose, produce or process Hazardous Materials only in accordance with all applicable Environmental Laws; (e) the County shall not cause nor permit the improper installation of Hazardous Materials in the Mortgaged Property nor a release of Hazardous Materials on the Mortgaged Property; (f) the County shall at all times comply with and ensure compliance by all other parties with all applicable Environmental Laws relating to or affecting the Mortgaged Property and shall keep the Mortgaged Property free and clear of any liens imposed pursuant to any applicable Environmental Laws; (g) the County has obtained and will at all times continue to obtain and/or maintain all licenses, permits, and/or other governmental or regulatory actions necessary to comply with Environmental Laws with respect to the Mortgaged Property (the "Permits"), and the County is in full compliance with the terms and provisions of the Permits and will continue to comply with the terms and provisions of the Permits; (h) the County shall immediately give the Beneficiary oral and written notice in the event that the County receives any notice from any governmental agency, entity, or any other party with regard to Hazardous Materials on, from or affecting the Mortgaged Property and shall conduct and complete all investigations, sampling, and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Materials on, from or affecting the Mortgaged Property in accordance with all applicable Environmental Laws. To the extent permitted by law, the County hereby agrees to defend and indemnify the Deed of Trust Trustee and the Beneficiary and hold them harmless from and against any and all losses, liabilities, damages, injuries (including, without

limitation, attorneys' fees) and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against the Deed of Trust Trustee or the Beneficiary for, with respect to, or as a direct or indirect result of (a) the presence on, or under, or the escape, spillage, emission or release from the Mortgaged Property of any Hazardous Material regardless of whether or not caused by or within the control of the County, (b) the violation of any Environmental Laws relating to or affecting the Mortgaged Property, whether or not caused by or within the control of the County, (c) the failure by the County to comply fully with the terms and provisions of this paragraph, or (d) any warranty or representation made by the County in this paragraph being false or untrue in any material respect. In the event that the Beneficiary elects to control, operate, sell or otherwise claim property rights in the Mortgaged Property, the County shall deliver the Mortgaged Property free of any and all Hazardous Materials so that the conditions of the Mortgaged Property shall conform with all applicable Environmental Laws. Prior to any such delivery of the Mortgaged Property, the County shall pay to the Beneficiary from its own funds any amounts required to be paid under the indemnification provisions set forth above. For purposes of this Deed of Trust, "Hazardous Material" means and includes petroleum products, any flammable explosives, radioactive materials, hazardous materials, asbestos or any material containing asbestos, and/or any hazardous, toxic or dangerous waste, substance or material defined as such in (or for the purpose of) the Environmental Laws. For the purposes of this Deed of Trust, "Environmental Laws" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, the Oil Pollution Act of 1990, the Emergency Planning and Right-to-Know Act, the Clean Water Act, the Clean Air Act, the Toxic Substance Control Act, the Resource Conservation and Recovery Act, any "Super Fund" or "Super Lien" law (including in all cases any regulations promulgated thereunder), or any other federal, state, or local law, regulation or decree regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Materials, as may now or at any time hereafter be in effect. The obligations and liabilities of the County under this paragraph shall survive the foreclosure of the Deed of Trust, the delivery of a deed in lieu of foreclosure, and the cancellation of this Deed of Trust; or if otherwise expressly permitted in writing by the Beneficiary, the sale or alienation of any part of the Mortgaged Property.

Section 16. Miscellaneous. (a) Notices. All notices, approvals, consents, requests and other communications hereunder shall be in writing and, unless otherwise provided herein, shall be deemed to have been given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows: (i) if to the County, at P.O. Box 308, Columbus, North Carolina 28722, Attention: County Manager; (ii) if to the Beneficiary, to Webster Public Finance Corporation, a subsidiary of Santander Bank, 200 Elm Street, Stamford, Connecticut 06901, Attention: Public Sector Finance; and (iii) if to the Deed of Trust Trustee, to The Fidelity Company, P.O. Box 831, Raleigh, North Carolina 27602 Attention: John C. Cooke.

The County, the Deed of Trust Trustee and the Beneficiary may, by notice given hereunder, designate any further or different addresses to which subsequent notices, approvals, consents, requests or other communications shall be sent or persons to whose attention the same shall be directed.

(b) Substitution of Deed of Trust Trustee. The County and the Deed of Trust Trustee covenant and agree to and with the Beneficiary that in case the Deed of Trust Trustee, or any successor trustee, shall die, become incapable of acting, renounce his trust, or for any reason the

Beneficiary desires to replace the Deed of Trust Trustee, then the Beneficiary may appoint, in writing, a trustee to take the place of the Deed of Trust Trustee; and upon the probate and registration of the same, the trustee thus appointed shall succeed to all rights, powers and duties of the Deed of Trust Trustee. This granting of power to the Beneficiary is coupled with an interest and is irrevocable.

(c) Successors and Assigns. This Deed of Trust shall inure to the benefit of and be enforceable by the Deed of Trust Trustee and the Beneficiary and their respective successors and assigns.

(d) Amendments and Supplements. This Deed of Trust may be amended and supplemented only as provided in the Agreement.

(e) Applicable Law. This Deed of Trust shall be governed by and construed in accordance with the laws of the State of North Carolina.

(f) Execution in Counterparts. This Deed of Trust may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(g) Severability. In the event any term, provision or covenant herein contained or the application thereof to any circumstances or situation shall be invalid or unenforceable in whole or in part, the remainder hereof and the application of said term or provision or covenant to any other circumstances or situation shall not be affected thereby, and every other term, provision or covenant herein shall be valid and enforceable to the full extent permitted by law.

(h) By its acceptance hereof, the Deed of Trust Trustee certifies that the Deed of Trust Trustee understands that "E-Verify" is a federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with Section 64-25(5) of the General Statutes of North Carolina, as amended. The Deed of Trust Trustee uses E-Verify to verify the work authorization of its employees in accordance with Section 64-26(a) of the General Statutes of North Carolina, as amended. The Deed of Trust Trustee will require that any subcontractor that it uses in connection with the transactions contemplated by this Deed of Trust certify to such subcontractor's compliance with E-Verify.

[signatures to follow]

IN WITNESS WHEREOF, the County has caused this Deed of Trust to be executed in its name by the County Manager and its seal to be impressed hereon and attested by the Clerk to the Board of the County, all as of the date first above written.

COUNTY OF POLK, NORTH CAROLINA

[SEAL]

By: _____
County Manager

Attest:

_____
Clerk

ACKNOWLEDGEMENT FOR COUNTY

STATE OF NORTH CAROLINA

COUNTY OF POLK

This ____ day of November, 2026, personally came before me, a Notary Public in and for the said County and State, Kennedy Freeman, who, being by me duly sworn, says that she is the Clerk to the Board of County Commissioners of the County of Polk, North Carolina, a body politic and corporate existing under the laws of the State of North Carolina and acting through its Board of County Commissioners, and by authority duly given and as the act of said County, the foregoing instrument was signed in its name by its County Manager, sealed with its seal and attested by herself as Clerk to said Board.

Witness my hand and notarial seal this ___day of November, 2026.

_____
Notary Public

My commission expires:

_____

(Notarial Seal)

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

[To be inserted.]