Agenda Summary
October 14, 2026

Agenda Item No. A-4
SED Revolving Line of Credit

Summary: Stowe Electric Department Annual Line of Credit with Union Bank is up for renewal. SED's line of credit is for a one-year term and was approved by the Stowe Electric Commission at their September 29 meeting. Enclosed is the signed resolution from the Electric Commission, and a memo from Jackie Pratt and Sarah Juzek.

Town Plan & Policy Impact: N/A

Fiscal & HR Impact: According to the memo, "The line of credit is for a one-year term and is renewed by the commission annually. This year's $1.5MM revolving line of credit is being offered by Union Bank with a fixed interest rate of 4.99%, down from 5.75% for the November 2025 – October 2026 term."

Recommendation: Move to approve the enclosed Line of Credit F/O/B the Stowe Electric Department and the Tax Certificate for Current Expense Borrowing.

Stowe Electric Department
PO Box 190
435 Moscow Rd
Stowe, VT 05672
802-253-7215
www.StoweElectric.com

To: Town of Stowe Selectboard
From: J. Pratt, General Manager
Date: October 14, 2026

Subject: Line of Credit Renewal

Stowe Electric Department's annual Line of Credit with Union Bank is up for renewal. The line of credit is for a one-year term and is renewed by the commission annually. This year's $1.5MM revolving line of credit is being offered by Union Bank with a fixed interest rate of 4.99%, down from 5.75% for the November 2025-October 2026 term.

The Stowe Electric Commission approved the renewal at its September 29, 2026, meeting. The Selectboard must also vote to approve SED's revolving line of credit at the upcoming October 14, 2026, meeting. The line of credit should be in place for November 1, 2026.

Attached is a resolution provided by Matt Bloomer, the Town's Attorney, as well as the loan documents from Union Bank.

TOWN OF STOWE ELECTRIC DEPARTMENT
RESOLUTION AND CERTIFICATION RE:
CURRENT EXPENSE BORROWING
2026 –2027

WHEREAS, the Commissioners of the Town of Stowe Electric Department ("Commission") are authorized and empowered to borrow money on the credit of the Town of Stowe Electric Department ("Department") to defray the cost of current expenses and the Selectboard is authorized and empowered to borrow money on the credit of the Town of Stowe to defray the cost of current expenses; and

WHEREAS, it is hereby found and determined that in order to carry out the responsibilities placed upon it to provide essential governmental services through the provision of reliable electric service to its customers, and in furtherance of the public good, it is necessary and expedient for the Department to have sufficient funds to deliver said essential governmental services; and

WHEREAS, current funds of the Department may not be available to pay in full when due all current expenses of the Department and it is necessary to borrow money for a term not to exceed one year to meet said current expenses on a timely basis and to repay the same from the operating revenue of the Department; and

WHEREAS, in order to have sufficient funds to meet current expenses as aforesaid, Union Bank has expressed an interest in lending such funds provided the borrowing is backed by the full faith and credit of the Town of Stowe ("Town"); and

WHEREAS, to accommodate such borrowing the Town of Stowe, acting by and through its Selectboard, will need to approve borrowing up to $1,500,000.00 from UNION BANK evidenced by a single Current Expense Note (the "Note") having a maturity not to exceed one year and the proceeds of which shall not be used to refund an obligation previously issued for the same purpose.

THEREFORE, BE IT RESOLVED, that the Commission hereby requests that the Selectboard and the Town Treasurer each proceed forthwith to authorize and complete said transaction and issue the Note for the benefit of the Department and authorize the Department to draw so much of the principal amount of the Note as the Department determines to be necessary from time to time during the term of the Note to supplement its operating revenues and pay its operating expenses; and

BE IT FURTHER RESOLVED that the Commission affirms and agrees that the Department shall be primarily responsible for making and shall make when and in the full amount then due all payments of principal and interest on the Note together with any and all related fees and expenses required to be paid to Union Bank under the terms of the Note; and

BE IT FURTHER RESOLVED that the Department shall reimburse the Town for any expenses it incurs, including legal fees, in connection with the approval and issuance of the Note;

BE IT FURTHER RESOLVED that all acts and things heretofore done by the lawfully constituted officers of the Department in, about, or concerning the expenditure of proceeds of the Note(s) are hereby ratified and confirmed; and

BE IT FURTHER RESOLVED that the Commission, in acknowledgement of the fact that the Town, as a condition of the loan by Union Bank, is required to execute and deliver a Tax Certificate whereby the Town certifies certain information to be true and accurate and it commits and pledges to perform certain acts or to refrain from doing certain acts all to the benefit of Union Bank, which the members of the Commission hereby acknowledge having received and read, covenants with the Town that during the time the Note remains extant the Department will use the proceeds of the Note and conduct its business and affairs in strict compliance with the provisions of the Tax Certificate and represents and warrants to the Selectboard and the Town that the assertions and representations in the Tax Certificate required to be made by the Town are true and accurate.

DATED this 29th day of September 2026.

STOWE ELECTRIC DEPARTMENT COMMISSIONERS

Lawrence Lackey, Chair

Sara Teachout, Vice-Chair

Mark Gilkey, Commissioner

or at least a majority thereof

Attest: _____, Secretary

STE26-001 SED Resol RevLOC 26-09-16

TOWN OF STOWE SELECTBOARD
RESOLUTION AND CERTIFICATION RE:
CURRENT EXPENSE BORROWING
FOR THE BENEFIT OF STOWE ELECTRIC DEPARTMENT
2026 –2027

RESOLVED, that at a duly called and warned meeting of the Town of Stowe Electric Department Board of Commissioners ("Commission") of the Town of Stowe Electric Department ("Department") held September 29, 2026, at which a quorum of the Commission was present and voting, it was determined that during the period from October 30, 2026 through October 29, 2027, the Department will need readily available funds to pay its ongoing operating expenses as the same come due and that the Department's timely receipt of operating revenues, charges and rates ("Operating Revenues") to pay such operating expenses cannot be assured;

BE IT FURTHER RESOLVED that the continued operation and functioning of the Department as a provider of reliable electric utility services within the service territory of the Department is an essential governmental service and function and the capacity of the Department to meet its operating expenses as the same come due is necessary to support the provision of essential governmental services and functions;

BE IT FURTHER RESOLVED that in order to assure that funds are readily available to meet the operating expenses of the Department during the referenced time period, the Commission discussed and approved a resolution and certificate ("Commission's Resolution") that endorses the borrowing of funds for the benefit of the Department by the Town of Stowe ("Town"), acting by and through its elected Selectboard ("Selectboard"), and requesting that the Town borrow funds for and on behalf of the Department by executing and delivering a Current Expense Note, dated October 30, 2026 (the "Note") payable to the Union Bank, a draft of which is attached hereto, securing a revolving line of credit having a maximum principal balance of $1,500,000 and having a maturity of not more than one year from the Note's date of issue ("Borrowing");

BE IT FURTHER RESOLVED that the Commission's Resolution, a copy of which is attached hereto, specifically obligates the Department to pay all principal and interest on the Note when and in the full amount then due from its Operating Revenues and other Department funds, to reimburse the Town for any costs and expenses it incurs in approving or documenting the Borrowing, including its reasonable attorneys' fees, and to use the proceeds of the Borrowing only for the permitted purposes specified in and in full accord with the Bank Documents (defined below) and not to refund or pay off any existing loan or indebtedness;

BE IT FURTHER RESOLVED that the Selectboard adopts, confirms, and authorizes the execution and delivery of the Note, the Tax Certificate, and the Municipal Bond Post-Issuance Compliance Procedure (collectively, the "Bank Documents"), all in substantially the form as presented to the Selectboard at its meeting on October 14, 2026;

BE IT FURTHER RESOLVED that the Chair of the Selectboard, Ethan Carlson, is hereby authorized and directed to execute and deliver the Bank Documents, and the Treasurer is requested to sign as necessary; and

BE IT FURTHER RESOLVED that the Note when issued and delivered pursuant to this Resolution and Certificate shall be a valid and binding general obligation of the Town payable according to the terms and tenor thereof from unlimited ad valorem taxes duly assessed on the grand list of the Town, as established by law;

BE IT FURTHER RESOLVED that all acts and things previously done by lawfully constituted officers of the Department and the Town, and of the Commission and the Selectboard in, about or concerning the expenditure of the proceeds of the Note are ratified and confirmed;

BE IT FURTHER RESOLVED that the Department is authorized to request advances of funds under the Note as the needs of the Department require up to the stated original principal amount of the Note but not in excess thereof; and

BE IT FURTHER RESOLVED that the undersigned Selectboard members, by adopting, and the Selectboard members and Treasurer by signing this Resolution and Certificate hereby certify as follows:

We are, respectively, the duly elected Selectboard members of the Town of Stowe and its duly elected Treasurer, that the Note is issued pursuant to our lawful authority, that no proceeding related to the issuance or delivery of the Note has been taken other than as shown in the forgoing recitals, that neither our authority nor any of our actions have been amended or repealed, and that we are not aware of any litigation threatened or now pending in any federal or state court of competent jurisdiction seeking to enjoin the issuance of the Note or the payment by the Department of its Operating Expenses, affecting the validity of the apportionment or assessment of taxes, if necessary, to pay the same when due, questioning or contesting the corporate existence of the Town or our respective title of any of us to our office;

We further certify to and covenant with Union Bank, its successors and assigns, that:

1. No Note proceeds (including investment proceeds thereof) will be used (directly or indirectly) in any trade or business carried on by any person other than the Department, nor used to make or finance any loan to any person;

2. During calendar year 2026, the Town will not issue debt of any bonds aggregating $10,000,000.00 or more;

3. The Town will file, when and as required with the Treasury Department or Internal Revenue Service, information returns relating to the issuance of the Note and other debt obligations of the Town; and

4. The Town will comply with, perform, maintain, and keep each and every covenant, representation, certification, and undertaking made by it in the Tax Certificate, the execution and delivery of which is hereby authorized.

DATED this 14th day of October 2026.

SELECTBOARD, TOWN OF STOWE, VERMONT

_____
Ethan Carlson, Chair

_____
Beth Gadbois, Vice-Chair

_____
Francis "Paco" Aumand

_____
Jo Sabel Courtney

_____
Dominick Donza

Or at Least a Majority Thereof.

Attest: _____, Penny Davis, Town Clerk & Treasurer

$1,500,000.00 #5701006277

CURRENT EXPENSE NOTE
REVOLVING LINE OF CREDIT
TOWN OF STOWE F/B/O
TOWN OF STOWE ELECTRIC DEPARTMENT
STOWE, VERMONT
OCTOBER 30, 2026

FOR VALUE RECEIVED, the Town of Stowe, Vermont, a municipal corporation, (the Borrower) promises to pay to the order of the Union Bank or its registered assigns (the Lender) at its place of business in Morristown, Vermont the principal sum of One Million Five Hundred Thousand and 00/100** Dollars ($1,500,000.00) with interest at the rate of 4.99% per annum, calculated on an actual 365 day basis or, if applicable, 366 days.

The Borrower agrees to pay to the order of the Bank, or its successors or registered assigns, the entire unpaid principal plus any accrued interest due on or before October 29, 2027.

This Note is established as a revolving Line of Credit.

This Note is issued to pay current expenses of the Town of Stowe Electric Department for the current fiscal year, pursuant to a resolution adopted by the Selectboard of the Town of Stowe at a meeting thereof duly noticed, called and held on October 14, 2026.

Demand, presentment for payment, protest and notice of protest hereof are waived.

It is hereby recited that all acts, conditions and things required to be done precedent to and in the issuing of this Note have been done, have happened, and have been performed in regular and due form, as required by law, and for the assessment, collection and payment hereon of a tax to pay all sums due hereunder when due, if necessary, the full faith and credit of the Borrower are hereby irrevocably pledged.

TOWN OF STOWE

_____ _____

Ethan Carlson, Chair

Beth Gadbois, Vice Chair

_____ _____

Francis "Paco" Aumand

Dominick Donza

_____ _____

Jo Sabel Courtney

Penny Davis
And its Duly Authorized Treasurer

By at least a majority of the
Selectboard

TOWN OF STOWE

TAX CERTIFICATE

CURRENT EXPENSE BORROWING

We the Treasurer and at least a majority of the Selectboard of the Town of Stowe, Vermont (the "Issuer"), hereby certify and represent as follows with respect to the aggregate $1,500,000.00 Current Expense Note of the Issuer (the "Note"), which Note (a revolving line of credit) is dated October 30, 2026 and is payable as therein set forth:

1. The Issuer is issuing and delivering the Note simultaneously with the delivery of this Certificate.

2. We are the officers of the Issuer charged by law with the responsibility for issuing the Note.

3. The Note is being issued for the purpose of paying certain current expenses of Stowe Electric Department required by law to be made, which expenditures shall be made in a timely fashion.

4. The entire amount borrowed by the issuance of the Note, together with all of such, if any, amounts previously raised or borrowed for the same purpose, does not exceed the total costs of such current expenses less all other funds available for the purpose.

5. The Note is not being issued to refund a note previously issued for the same purpose described in paragraph (3).

6. Any real and personal property, acquisition of which has been financed by the Note, if any, has not been and is not expected during the life of the Note to be sold or otherwise disposed of for consideration.

7. It is expected that any earnings or net profit derived from investment or deposit of the proceeds of the Note, including transferred proceeds, any accrued interest received upon sale of the Note and any premium received on the delivery thereof, will be expended for current expense payment purposes to the extent such funds are not commingled for accounting purposes in the general funds of the Issuer with tax and other substantial operating revenues.

8. The Issuer has not created and does not expect to create or establish any debt service fund, bond payment reserve, sinking fund, or other similar fund pledged to the payment of the Note or from which it is expected that payment of the Note would be made.

9. To the best of our knowledge, information and belief, the above expectations are reasonable.

10. The Issuer has not been notified of any action by the Commissioner of Internal Revenue to disqualify it as an issuer whose arbitrage certificates may be relied upon.

11. No part of the proceeds derived from the issuance and sale of the Note nor the expenditures financed by the proceeds of the Note shall be:

a. Used, loaned or otherwise made available to any person or other entity, other than the Issuer or a governmental body, so as to cause the Note to be classified as a private activity bond or an arbitrage bond, as those terms are defined under the Internal Revenue Code of 1986, as amended, and the Regulations promulgated thereunder by the U. S. Treasury (collectively, the "Code").

b. Used directly or indirectly in a trade or business by any person other than the Issuer or another municipal entity;

c. Loaned to any person directly or indirectly other than the Issuer;

d. The subject of any contract, lease or agreement of any sort having a term of one year or more and calling for the payment by the Issuer of consideration other than a flat fee;

e. Expended to finance the construction, alteration or renovation of any improvement the use, occupancy, availability or beneficial enjoyment of which shall be restricted among public users thereof or for which preferential, different or unique fees, rates, assessments or charges shall be levied;

f. Invested in such a manner or for such a period or at a yield to result in the rebate of interest earnings thereon to the United States under any public law now or hereafter in effect;

12. The Issuer shall furnish to the United States, or any agency, department or instrumentality thereof, in a timely fashion, such information as may be required by law with respect to all evidences or debt now or hereafter issued by the Issuer.

13. Neither the proceeds of the Note, nor any earnings derived from the investment thereof, shall be expended for the purpose of paying any costs associated with the issuance of the Note.

14. The Note will not be refunded or otherwise paid, defeased or secured by the proceeds of any form of debt issued by the Issuer, if the manner of such payment, refunding or security, results in the Note being classified as a "private activity bond" or an "arbitrage bond" within the meaning of Sections 103, 141 and 148 of the Internal Revenue Code of 1986.

15. The proceeds of the Note shall not be invested for a period or at a yield so as to render the interest payable on the Note includable in the gross income of the holder thereof.

16. The proceeds of the Note will not be used in a manner that will cause the Note to be "arbitrage bonds" or "private activity bonds" within the meaning of Sections 103, 141 and 148 of the Code.

17. During the current calendar year, The Town of Stowe will not issue debt of any sort aggregating $10,000,000.00 or more.

18. The Note is declared to be a “qualified” obligation under Section 265(b) of the Code.

This Certificate is executed and is being delivered pursuant to Section 1.148-2(b)(2)(i) of the Regulations promulgated under Section 148 of the Code of 1986.

IN WITNESS WHEREOF, we have hereunto set our hands on behalf of the Municipality this 30th day of October, 2026.

TOWN OF STOWE

_____
Ethan Carlson, Chair

_____
Beth Gadbois, Vice Chair

_____
Francis “Paco” Aumand

_____
Dominick Donza

_____
Jo Sabel Courtney

By at least a majority of the Selectboard

_____
Penny Davis
and Its Duly Authorized Treasurer

SCHEDULE D

MUNICIPAL BOND POST-ISSUANCE COMPLIANCE PROCEDURES

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

A procedure set forth below governs a given obligation only where that procedure's subject matter is present. Because the Note finances current operating expenses and finances no capital project and no property placed in service, the procedures that presuppose such a project or property – including the project-completion confirmations and the annual visual inspection of financed property – impose no obligation with respect to the Note.

(1) The municipal official or employee possessing the statutory or contractual powers, functions and responsibilities of a Chief Financial Officer (to the extent the same are not exercised by the Treasurer) shall be responsible for monitoring Note post-issuance compliance (the "Compliance Official").

(2) The Compliance Official shall review and implement these procedures in the manner necessary to ensure ongoing compliance with the provisions of the Tax Certificate. In connection therewith such official will become knowledgeable or consult an advisor experienced in post issuance compliance and will review and monitor notices, advice and directives as may be received by the Issuer from its bond counsel, accountants, financial advisors, and governmental sources.

(3) On or before the first day of June in each year, the Compliance Official shall confirm that all Issuer property financed by the proceeds of the Issuer's obligations continues to be used in the same manner as existed when such property was first placed into service. Such confirmation shall be based upon a visual inspection and representations of the public officials under whose care, custody and control the property is placed.

(4) For so long as the proceeds of any debt obligation of the Issuer remains unexpended, the Compliance Official shall confirm on the first day of June and the first day of December in each year that such proceeds are deposited or invested for a "temporary period" as established under Section 148 of the Code, and the Regulations thereunder. Following the third anniversary of the issuance of an Issuer obligation, all unexpended

proceeds shall be invested so as to generate a yield no greater than the yield on the corresponding obligation.

(5) The Compliance Official shall confirm, at least annually while there are unexpended proceeds, that the proceeds of each Issuer obligation shall be expended in such amounts, at such frequency, and in such intervals to ensure that the Issuer avails itself of one or more arbitrage rebate exception allowed under Section 148 of the Code, and the Regulations promulgated thereunder. Alternatively, if rebate is due, the Compliance Official will engage a consultant to prepare a Report to determine any rebate due.

(6) With respect to the acquisition and construction of capital improvements financed with the proceeds of the Issuer's debt obligations, the Issuer hereby declares that such proceeds shall be allocated to acquisition and construction expenditures prior to the expenditure and application of funds from any other public or private source. A final expenditure report accounting for the use of all Issuer obligation proceeds and earnings shall be completed no later than 18 months after the Project(s) financed by the Issuer obligation is placed in service.

(7) In the event there is a change of use, abandonment or disposition of property financed by the proceeds of an Issuer obligation, the Compliance Official shall immediately consult with the Issuer's bond counsel and accountants regarding remedial action. The Issuer thereafter shall endeavor to call and redeem all or a portion of outstanding debt obligations, the proceeds of which were expended to finance such property. The proceeds derived from the sale or other disposition of the financed property shall not be commingled with other funds of the Issuer, but shall be used to effect the redemption of obligations, if necessary, the proceeds of which financed such property. Pending redemption as called for in this section, such proceeds shall be invested at a yield no greater than the yield on the obligations to be redeemed.

(8) The Compliance Official shall create and preserve records for the term of all Issuer obligation and any refunding thereof plus three years documenting the procedures incident to the authorization and issuance and identifying the proceeds of each issue of the Issuer's obligations, the deposit and investment thereof, the income derived from such deposit and investment, the expenditure of such proceeds and investment income (containing at a minimum the date, amount and recipient of each expenditure), payment requisitions, and all rate, fee, charge and assessment schedules relating to property financed by the Issuer's obligations. Such records shall include copies of loan agreements, escrow agreements, tax certificates, project bid documents, construction and acquisition contracts, project invoices, project-related bank statements, and documents related to anticipatory bond financing.

(9) The Compliance Official shall retain all contracts or arrangements with non-governmental persons relating to the use, control and management of the Project(s) financed an Issuer obligation.

(10) In the event there remain on hand any excess proceeds from an Issuer obligation,

following acquisition or completion of the improvements for which such obligation was issued, the Compliance Official shall consult with the Issuer's bond counsel regarding the use of such proceeds.

Form **8038-G**

(Rev. October 2021)

Department of the Treasury
Internal Revenue Service

Information Return for Tax-Exempt Governmental Bonds

▶ **Under Internal Revenue Code section 149(e)**
▶ **See separate instructions.**
Caution: *If the issue price is under $100,000, use Form 8038-GC.*
▶ **Go to *www.irs.gov/F8038G* for instructions and the latest information.**

OMB No. 1545-0047

Part I Reporting Authority

Check box if **Amended Return** ▶ ☐

1 Issuer's name Town of Stowe FBO Town of Stowe Electric Department	2 Issuer's employer identification number (EIN) 03-6000701
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) Penny Davis, Treasurer	3b Telephone number of other person shown on 3a 802-253-6133
4 Number and street (or P.O. box if mail is not delivered to street address) Room/suite PO Box 730	5 Report number *(For IRS Use Only)* 3
6 City, town, or post office, state, and ZIP code Stowe, VT 05672	7 Date of issue 10/30/2026
8 Name of issue Current Expense Note Revolving Line of Credit	9 CUSIP number
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information Penny Davis, Treasurer	10b Telephone number of officer or other employee shown on 10a 802-253-6133

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

11	Education	11	
12	Health and hospital	12	
13	Transportation	13	
14	Public safety	14	
15	Environment (including sewage bonds)	15	
16	Housing	16	
17	Utilities	17	
18	Other. Describe ▶ Current Expense Note Revolving Line of Credit	18	1,500,000.00
19a	If bonds are TANs or RANs, check only box 19a ▶ ☐		
b	If bonds are BANs, check only box 19b ▶ ☐		
20	If bonds are in the form of a lease or installment sale, check box ▶ ☐		

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

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	10/29/2027	$ 1,500,000.00	$ 1,500,000.00	1 years	4.99 %

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

22	Proceeds used for accrued interest			22	
23	Issue price of entire issue (enter amount from line 21, column (b))			23	1,500,000.00
24	Proceeds used for bond issuance costs (including underwriters' discount)	24			
25	Proceeds used for credit enhancement	25			
26	Proceeds allocated to reasonably required reserve or replacement fund	26			
27	Proceeds used to refund prior tax-exempt bonds. Complete Part V	27			
28	Proceeds used to refund prior taxable bonds. Complete Part V	28			
29	Total (add lines 24 through 28)			29	
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	1,500,000.00

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

31	Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded ▶	years
32	Enter the remaining weighted average maturity of the taxable bonds to be refunded ▶	years
33	Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY) ▶	
34	Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)	

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions	36a	
b	Enter the final maturity date of the GIC ▶ (MM/DD/YYYY)		
c	Enter the name of the GIC provider ▶		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	

38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the following information:

b Enter the date of the master pool bond ▶ (MM/DD/YYYY) _____

c Enter the EIN of the issuer of the master pool bond ▶ _____

d Enter the name of the issuer of the master pool bond ▶ _____

39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☐

40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

41a If the issuer has identified a hedge, check here ▶ ☐ and enter the following information:

b Name of hedge provider ▶ _____

c Type of hedge ▶ _____

d Term of hedge ▶ _____

42 If the issuer has superintegrated the hedge, check box ▶ ☐

43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶ ☑

44 If the issuer has established written procedures to monitor the requirements of section 148, check box ▶ ☑

45a If some portion of the proceeds was used to reimburse expenditures, check here ▶ ☐ and enter the amount of reimbursement ▶ _____

b Enter the date the official intent was adopted ▶ (MM/DD/YYYY)

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

▶ _____ Signature of issuer's authorized representative Date

▶ Penny Davis, Treasurer Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

CERTIFICATION OF SELECTBOARD AUTHORIZATION

CURRENT EXPENSE BORROWING
FOR THE BENEFIT OF STOWE ELECTRIC DEPARTMENT
2026 –2027

The undersigned, being the duly elected Clerk of the Town of Stowe, Vermont ("Municipality"), does certify and confirm that:

(1) The attached Resolution and Certification (Exhibit A) approving the establishment of a short-term operating line of credit to augment the operating cash flow of Stowe Electric Department to meet its current expenses over the period from October 30, 2026 to October 29, 2027 was properly adopted in open session at a duly warned meeting of the Selectboard of the Municipality held on October 14, 2026.

(2) The attached Commission Resolution and Certificate, Note, Tax Certificate and Post Issuance Compliance Procedure (collectively, Exhibit B) each were presented to and approved by the Selectboard in open session at a duly warned meeting of the Selectboard of the Municipality held on October 14, 2026.

(3) The attached Exhibit A was received for record and recorded on October __, 2026, in the official records of the Municipality.

(4) I am not aware of any litigation now pending or threatened in any state or federal court contesting or challenging the proceedings set forth in Paragraphs (1) through (3) of this Certificate or the proposed current expenses of the Stowe Electric Department or the issuance of the Note of the Municipality to finance the same.

DATED: October 30, 2026

_____
Penny Davis
Town Clerk & Treasurer