

September 9, 2025

Attention: Adam Stumb, MPA, AICP

County Manager

Ashe County, North Carolina

150 Government Circle, Suite 2500

Jefferson, NC 28640

Re: Underwriting Engagement Letter

Dear Adam:

On behalf of Robert W. Baird & Co. Incorporated ("we" or "Baird"), we wish to thank you for the opportunity to serve as sole managing underwriter for Ashe County, North Carolina ("you" or the "Issuer") on its proposed offering and issuance of approximately \$15,000,000 Limited Obligation Bonds, Series 2026 for projects including the landfill expansion and environmental services building (the "Securities"). This letter will confirm the terms of our engagement; however, it is anticipated that this letter will be replaced and superseded by a bond purchase agreement to be entered into by the parties (the "Purchase Agreement") if and when the Securities are priced following successful completion of the offering process. The Purchase Agreement will set forth the terms and conditions on which Baird will purchase the Securities and will contain provisions that are consistent with those stated in this letter.

1. Services to be Provided by Baird. Baird is hereby engaged to serve as senior managing underwriter of the proposed offering and issuance of the Securities, and in such capacity Baird agrees to provide the following services:

- Review and evaluate the proposed terms of the offering and the Securities
- Develop a marketing plan for the offering, including identification of potential purchasers of the Securities
- Assist in the preparation of the preliminary official statement and final official statement and other offering documents
- Contact potential purchasers of the Securities and provide them with copies of the offering materials and related information
- Respond to inquiries from potential purchasers and, if requested, coordinate their due diligence calls and meetings
- If the Securities are to be rated, assist in the preparation of information and materials to be provided to securities rating agency or agencies and in the development of strategies for meetings with the rating agency or agencies to obtain a rating for the Securities
- Consult with counsel and other service providers about the offering and the terms of the Securities (it being understood that the Issuer is responsible for the selection of such counsel and other service providers)
- Inform the Issuer of the marketing and offering process
- Negotiate the pricing, including the interest rate, and other terms of the Securities
- Obtain CUSIP number(s) for the Securities and arrange for their DTC book-entry eligibility
- Plan and arrange for the closing and settlement of the issuance and the delivery of the Securities
- Such other usual and customary underwriting services as may be requested by the Issuer

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www.rwbaird.com

In addition, at the Issuer's request, Baird may provide incidental municipal advisory services, including advice as to the structure, timing, terms and other matters concerning the issuance of the Securities. Please note that Baird would be providing such advisory services in its capacity as underwriter and not as a municipal advisor to the Issuer.

2. Fees and Expenses. Baird's proposed underwriting fee/spread will not exceed \$3.55 per \$1,000 par amount of the Securities issued (excluding expenses outlined in this section). Baird's underwriting fee/spread will be determined by mutual agreement of the Issuer and Baird and will be reflected in the Purchase Agreement. The underwriting fee/spread will represent the difference between the price that Baird pays for the Securities and the public offering price stated on the cover of the final official statement. The underwriting fee/spread will be contingent upon the closing of the proposed offering and the amount of the fee/spread will be based on the par amount of the Securities.

The Issuer shall be responsible for paying or reimbursing Baird for costs of issuance which may include, without limitation, CUSIP, DTC, IPREO (electronic book-running/sales order system) fees and charges; printing and mailing/distribution charges; day loan charges; bond counsel, underwriter's counsel and ratings agency fees and expenses; and all other expenses incident to the performance of the Issuer's obligations under the proposed offering. However, Baird will be responsible for paying any fees to the MSRB in connection with the issuance of the Securities.

3. Conflicts of Interest and Disclosures Pursuant to MSRB Rules. Baird is registered with the Municipal Securities Rulemaking Board ("MSRB") and the SEC. The MSRB website is www.msrb.org. Two investor brochures, Information for Municipal Securities Investors and Information for Municipal Advisory Clients, describe the protections that may be provided by the MSRB's rules. The brochures are available on the MSRB website. The MSRB website also contains information about how to file a complaint with an appropriate regulatory authority.

Baird makes the following conflict of interest and other disclosures as required by MSRB Rule G-17.

- Disclosures Concerning the Underwriter's Role:
 - MSRB Rule G-17 requires an underwriter to deal fairly at all times with both issuers and investors.
 - An underwriter's primary role is to purchase the Securities with a view to distribution in an arm's-length commercial transaction with the Issuer. An underwriter has financial and other interests that differ from those of the Issuer.
 - Unlike a municipal advisor, an underwriter does not have a fiduciary duty to the Issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests.
 - The Issuer may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer's interest in this transaction.
 - An underwriter has a duty to purchase the Securities from the Issuer at a fair and reasonable price, but it must balance that duty with its duty to sell the Securities to investors at prices that are fair and reasonable.
 - An underwriter will review the official statement for the Securities in accordance with, and as a part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.
- Disclosures Concerning the Underwriter's Compensation:

The underwriter will be compensated by an underwriting fee or discount that will be set forth in the Purchase Agreement to be negotiated and entered into in connection with the issuance of the Securities. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Securities. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

- Baird-Specific Conflicts of Interest Disclosures:

Baird is a full-service securities firm and as such Baird and its affiliates may from time to time provide advisory, brokerage, consulting and other services and products to municipalities, other institutions, and individuals including the Issuer, certain Issuer officials or employees, and potential purchasers of the Securities for which Baird may receive customary compensation; however, such services are not related to the proposed offering. Baird may also be engaged from time to time by the Issuer to manage investments for the Issuer (including the proceeds from the proposed offering) through a separate contract that sets forth the fees to be paid to Baird. Baird may compensate its associates for any referrals they have made that resulted in the Issuer's selection of Baird to serve as underwriter on the proposed offering of the Securities. Baird manages various mutual funds, and from time to time those funds may own bonds and other securities issued by the Issuer (including the Securities). Additionally, clients of Baird may from time to time purchase, hold and sell bonds and other securities issued by the Issuer (including the Securities).

In the ordinary course of fixed income trading business, Baird may purchase, sell, or hold a broad array of investments and may actively trade securities and other financial instruments, including the Securities and other municipal bonds, for its own account and for the accounts of customers, with respect to which Baird may receive a mark-up or mark-down, commission or other remuneration. Such investment and trading activities may involve or relate to the offering or other assets, securities and/or instruments of the Issuer and/or persons and entities with relationships with the Issuer. Spouses and other family members of Baird associates may be employed by the Issuer.

Baird has not identified any other actual or potential material conflicts of interest.

Disclosures of Material Financial Characteristics and Material Financial Risks.

- o Accompanying this letter is a disclosure document describing the material financial characteristics and material financial risks of the Securities as required by MSRB Rule G-17.

4. Term and Termination. The term of this engagement shall extend from the date of this letter to the closing of the offering of the Securities. Notwithstanding the foregoing, either party may terminate Baird's engagement at any time without liability of penalty upon at least 30 days' prior written notice to the other party. If Baird's engagement is terminated by the Issuer, the Issuer agrees to reimburse Baird for its out-of-pocket expenses incurred until the date of termination.

5. Indemnification; Limitation of Liability. The Issuer agrees that neither Baird nor its employees, officers, agents or affiliates shall have any liability to the Issuer for the services provided hereunder except to the extent it is judicially determined that Baird engaged in gross negligence or willful misconduct. In addition, to the extent permitted by applicable law, the Issuer shall indemnify, defend and hold Baird and its employees, officers, agents and affiliates harmless from and against any losses, claims, damages and liabilities that arise from or otherwise relate to this letter, actions taken or omitted in connection herewith, the offering materials, or the transactions and other matters contemplated hereby, except to the extent such losses, claims, damages or liabilities are judicially determined to be the result of Baird's gross negligence or willful misconduct. Any Purchase Agreement executed in connection with the offering of the Securities will contain indemnification provisions for the benefit of Baird, on terms consistent with industry standards.

6. Miscellaneous. This letter shall be governed and construed in accordance with the laws of the State of North Carolina. This letter contains the entire agreement between the parties relating to the rights granted herein and obligations assumed herein and supersedes all prior agreements between the parties related to the offering. This letter may not be amended or modified except by means of a written instrument executed by both parties hereto. This letter may not be assigned by either party without the prior written consent of the other party. The Issuer acknowledges that Baird may, at its option and expense and after announcement of the offering, place announcements and advertisements or otherwise publicize a description of the offering and Baird's role in it on Baird's website and/or other marketing material and in such financial and other newspapers and journals as it may choose, stating that Baird has acted as underwriter for the offering. The Issuer also agrees that Baird may use the Issuer's name and logo or official seal for these purposes.

In addition, the Issuer agrees that all opinions of counsel written in connection with the offering of the Securities, including but not limited to those opinions from bond counsel and issuer counsel, will include Baird as an addressee or alternatively will be accompanied by letters from such counsel entitling Baird to rely on such opinions.


If there is any aspect of this letter that requires further clarification, please do not hesitate to contact us. In addition, please consult your own financial and/or municipal, legal, accounting, tax and other advisors as you deem appropriate. We understand that you have the authority to bind the Issuer by contract with us, and that you are not a party to any conflict of interest relating to the proposed offering. If our understanding is not correct, please let us know.

Please evidence your receipt and agreement to the foregoing by signing and returning this letter.

Again, we thank you for the opportunity to assist you with your proposed issuance and the confidence you have placed in us.

Very truly yours,

ROBERT W. BAIRD & CO. INCORPORATED

By: _____
Ryan Maher, Managing Director

Accepted this ____ day of _____, 20__

ASHE COUNTY, NORTH CAROLINA

By: _____

Title: _____