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October 14, 2025

VIA E-MAIL

Adam Stumb
County Manager
Ashe County, North Carolina
adam.stumb@ashecountygov.com

***Limited Obligation Bonds, Series 2026
(County of Ashe, North Carolina)***

Dear Adam:

Thank you for asking Parker Poe Adams & Bernstein LLP (the "*Firm*") to serve as bond counsel and corporation counsel for the County of Ashe, North Carolina (the "*County*"), and its related entity, Ashe County Financing Corporation (the "*Corporation*"), as issuer of the above-described Bonds.

Scope of Engagement. Our understanding is that the County intends to cause the Corporation to issue approximately \$15,000,000 aggregate principal amount of the Bonds in 2026 in order to finance the new cell at the County's landfill an office/shop building for the County's Environmental Services department. The County plans to use Robert W. Baird & Co. Incorporated, as underwriter for the Bonds. As bond counsel, the Firm will provide certain legal services for the Bonds and, assuming certain requirements are met, provide an opinion as to the validity of the Bonds and the federal and state tax treatment of the interest on the Bonds, subject to usual and customary exceptions. Specifically, our services include:

1. participation in meetings with County staff and, to the extent deemed necessary by the County staff, with the Board of Commissioners, in structuring the legal aspects of the financing;
2. preparation of an Indenture of Trust, an Installment Financing Contract and a Deed of Trust, and other documents as necessary, related to the issuance and security for the Bonds and various resolutions relating to the authorization, execution and delivery of the Bonds;

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3. preparation of all other papers required as a condition precedent to the execution and delivery of the Bonds;
4. assistance to the County with respect to matters before the Local Government Commission and the rating agencies;
5. participation with underwriter's counsel and the underwriter in reviewing the documents for the sale of the Bonds for consistency with the bond documents; and
6. delivery of certain opinions of behalf of the Corporation related to the due authorization, execution and delivery of financing documents, subject to usual and customary exceptions; and
7. delivery of an opinion as to the validity of the Bonds and the federal and state tax treatment of the interest on the Bonds, subject to usual and customary exceptions.

The County will be represented by the County Attorney with respect to all material matters, if any, as between the underwriter of the Bonds and the County. The Firm does not represent to any other party involved in this transaction with respect to the Bonds, other than the County and the Corporation. The scope of the legal services that Parker Poe will provide may be expanded during the course of this engagement pursuant to communications establishing a specific mutual understanding of the services the Firm is to perform.

Advance Waiver of Conflicts. The Bonds are expected to be sold on a negotiated basis to Robert W. Baird & Co. Incorporated, as underwriter for the Bonds, pursuant to the terms of a bond purchase agreement. We want to make you aware that our firm may have represented, may currently represent and could represent in the future, the underwriter for the Bonds. Because the County is represented in this transaction by the County Attorney, and the County Attorney shall serve as the County's counsel with respect to all material matters, if any, as between the underwriter, the County and the Corporation, we do not consider our role as bond counsel to the County to create a conflict of interest with respect to the underwriter for the Bonds, however, we are requesting that the County and the Corporation waive any potential conflict of interest that may arise.

You also have requested that we that we simultaneously represent both the County and the Corporation in this transaction which creates the potential for a conflict of interest in our joint representation of those parties. We are requesting that the County and the Corporation waive any potential conflict of interest that may arise with respect to that joint representation. The County and the Corporation are each entitled to confidentiality and the attorney-client privilege, but in a joint representation, there is no such entitlement from each other, meaning neither will have an independent claim to confidentiality. Because Parker Poe owes a duty to keep each client adequately informed, any relevant information revealed by one client will be discussed with the other client. Additionally, while these shared confidences are protected from third parties, each client is entitled to be made aware of any information obtained from a third party source, including those revealed by one of the clients. Finally, in the unlikely event that a conflict arises between the County and the Corporation, information communicated during the course of this representation would not be privileged or confidential in any subsequent proceedings to resolve the dispute. We believe that this letter satisfies our obligation under the rules of professional conduct, which govern our conduct as lawyers, to explain to the County

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and the Corporation the implications and potential risks in situations involving joint representation and potential conflicts of interest. We encourage you to ask any questions that you may have and seek any further explanations or counsel you may deem necessary.

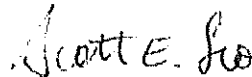
If any issues arise that we believe create a genuine conflict of interest, we will immediately inform you and work with the County Attorney to resolve the matter consistent with our ethical responsibilities.

Staffing and Legal Fees. I will be the County's primary contact for our Firm's work on the Bonds with support from Andy Walsh and our tax partner, Mike Larsen. The Firm will provide services as bond counsel and corporation counsel for the Bonds for a fee of \$75,000.

Standard Terms of Engagement. Additional information regarding fees and other important matters is set forth in the enclosed Standard Terms of Engagement, which are incorporated as part of this letter. Please review this letter and the Standard Terms of Engagement carefully.

If the provisions set forth above are consistent with your understanding, including the waiver of any conflict of interest as described above, please have the letter signed below on behalf of the County and the Corporation, keep a copy of the letter for yourself and return the original to us for our records.

Sincerely,



Scott E. Leo

Accepted:

County of Ashe, North Carolina
(on behalf of the County and the Corporation)

Adam Stumb, County Manager

Date

PARKER POE ADAMS & BERNSTEIN LLP
STANDARD TERMS OF ENGAGEMENT REGARDING LEGAL REPRESENTATION

1. Scope of Work and Limitations. The scope of our work and the limitations on the services to be performed will be in accordance with the Engagement Letter.

2. No Guaranteed or Contingent Outcome. While we will perform our professional services on behalf of the client to the best of our ability under the circumstances, we cannot and have not made any guarantees regarding the outcome of our professional efforts. Any expressions about the possible outcome of the matter or the results achievable are our best professional estimates only, and are limited by our knowledge at the time they are expressed.

3. Communications. As requested, we will send to the client copies of pertinent correspondence, documents and other materials prepared or received by us in the course of the representation. The client is encouraged to contact us as to any questions or comments regarding the services, fees, or status of the matter or as to any pertinent facts or considerations which may come to the attention of the client. Material information and documents received by the client should be forwarded to the firm without delay.

4. Attorney Assignment. Each client will have an attorney who shall have primary responsibility for the client's matters. When appropriate, work on the client's matters may be assigned to other attorneys in the firm who have a sufficient level of experience and time availability to handle competently and efficiently portions or all of the client's matters. In addition, assistance of non-attorney support personnel under the direct supervision of firm attorneys may be required, as appropriate.

5. Confidentiality. The firm will protect the confidence of the client and will not divulge confidential information concerning the client's business or legal matters, as required by the Rules of Professional Conduct. However, we understand that, unless you advise us to the contrary, you do not object to our mentioning to others our representation of you or our listing of your name as one of our clients in professional literature or in material published about this law firm.

6. Conclusion of Representation: Retention and Disposition of Documents. Unless previously terminated, our representation of the client in this matter will conclude upon our sending the client our final statement for services rendered in the matter. At its request, the client's documents and property will be returned to it, although we reserve the right to copy any documents we deem appropriate. Our files and documents pertaining to the matter will be retained by the firm. For various reasons, including the minimization of unnecessary storage expenses, and consistent with applicable professional conduct rules, we reserve the right to destroy or otherwise dispose of any such documents or other materials retained by us 5 years after the termination of the engagement, without further notice to the client.

7. Termination. The firm reserves the right to withdraw from representing the client upon written notice at any time, with or without cause. Likewise, the client may terminate the firm's services prospectively upon written notice to the firm. This engagement involve a transaction subject to a "bill at close" arrangement whereby client and the Firm agree that legal fees and disbursements shall be paid from closing proceeds at the conclusion of the transaction. A "bill at close" arrangement is not the same as a contingency fee (where the Firm receives payment only if a certain result is achieved). If the client terminates the firm's services or elects not to consummate the financing, the firm and the client will mutually agree at that time on appropriate compensation based on the amount of time the firm has spent on the matter to that date.