
COMMERCIAL PAPER OFFERING MEMORANDUM

DATED: _____, 2025

BOOK ENTRY ONLY

RATING: Moody's: "___"

S&P: "___"

See "RATINGS" herein.

In the opinion of The Public Finance Law Group, PLLC Oklahoma City, Oklahoma, and Williams, Box, Forshee & Bullard, P.C., Oklahoma City, Oklahoma, acting as co-bond counsel to OCWUT ("Co-Bond Counsel"), rendered in part in reliance upon certain opinions of Kutak Rock LLP ("Special Tax Counsel") with respect to certain federal tax matters, under existing laws, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Tax-Exempt Notes is excludable from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Interest on the Tax-Exempt Notes may affect the federal alternative minimum tax imposed on certain corporations. Interest on the Taxable Notes is included in gross income for federal income tax purposes. Furthermore, in the opinion of Co-Bond Counsel, under existing laws, interest on the Notes is exempt from Oklahoma income taxation. See "TAX STATUS" herein.

OKLAHOMA CITY WATER UTILITIES TRUST

\$500,000,000

COMMERCIAL PAPER NOTES, SERIES A (TAX-EXEMPT)

COMMERCIAL PAPER NOTES, SERIES B (TAXABLE)

OFFERING

J.P. Morgan Securities LLC, as Commercial Paper Dealer, (the "Dealer") is offering for sale, from time to time under the terms of the Dealer Agreement (as defined herein), on behalf of the Oklahoma City Water Utilities Trust ("OCWUT") commercial paper notes styled "Oklahoma City Water Utilities Trust Commercial Paper Notes, Series A (Tax-Exempt) (the "Tax-Exempt Notes") and the "Oklahoma City Water Utilities Trust Commercial Paper Notes, Series B (Taxable) (the "Taxable Notes" collectively, with the Tax-Exempt Notes, the "Notes"). The Notes will be issued from time to time in subseries in the aggregate principal amount not to exceed \$700,000,000 with no more than \$500,000,000 at any one time outstanding, provided that the aggregate principal amount of Notes outstanding at any time shall not exceed the Stated Amount (as defined below) of the Amended and Restated Irrevocable Transferable Direct-Pay Letter of Credit dated as of April [30], 2025 (the "Letter of Credit") issued by Sumitomo Mitsui Banking Corporation, acting through its New York Branch (the "Credit Provider") to pay principal and interest due on maturing Notes pursuant to a Second Amended and Restated Order Authorizing Commercial Paper Notes dated as of April 1, 2025, and as may be further amended, supplemented, modified or restated from time to time in accordance with the terms hereof and thereof (collectively, the "CP Order") and the hereinafter defined Issuing and Paying Agency Agreement.

The “Stated Amount” under the Letter of Credit is \$552,500,000.00, representing an amount not to exceed \$500,000,000 available to pay the principal amount of maturing Notes and an amount not to exceed \$52,500,000.00 available to pay interest due on maturing Notes at an assumed rate of fourteen percent (14%) per annum for a period of two hundred seventy (270) days calculated on the basis of a year of 360 days. Therefore, the maximum principal amount of Notes to be outstanding at any one time without amendment of the Letter of Credit, which will require approval and authorization by the Trustees of OCWUT, is \$500,000,000.00.

The Notes will be initially issued under the subseries of the Notes designated as the Series A-4 Notes, and will be issued as a single issue on April __, 2025, , under which drawings will be made from time to time within the 18-month period ending October __, 2026, in the aggregate principal amount of not to exceed \$_____.

The Notes are authorized pursuant to the authority of Title 60, Oklahoma Statutes 2021, Section 176 et seq., as amended (the “Act”) and the CP Order. The Notes are payable as to principal and interest from the sources described herein. See “SECURITY FOR THE NOTES” herein.

TABLE OF CONTENTS

ISSUER.....	3
PURPOSE.....	4
DESCRIPTION OF THE NOTES.....	4
SECURITY FOR THE NOTES	5
Letter of Credit	5
Loans under the Credit Agreement for the Payment of Interest.....	6
Substitute Credit Agreement.....	6
NOTICES AND CONSENTS.....	6
TAX STATUS	7
Federal Income Taxation	7
Oklahoma Income Taxation.....	8
No Other Opinions.....	8
FINANCIAL ADVISOR.....	9
RATINGS.....	9
INDEPENDENT AUDITORS.....	9
LITIGATION.....	9
AVAILABLE INFORMATION.....	11
MISCELLANEOUS	12

APPENDICES

EXCERPTS OF OCWUT’S BASIC FINANCIAL STATEMENTS

FOR FISCAL YEAR JUNE 30, 2023.....	APPENDIX A
INFORMATION CONCERNING THE CREDIT PROVIDER.....	APPENDIX B
DESCRIPTION OF BOOK-ENTRY-ONLY ISSUANCE.....	APPENDIX C
FORM OF CO-BOND COUNSEL OPINION	APPENDIX D
TABLE OF OUTSTANDING SENIOR LIEN BONDS.....	APPENDIX E
EXTRACT OF CERTAIN PROVISIONS OF THE LETTER OF CREDIT AND OF THE REIMBURSEMENT AGREEMENT	APPENDIX F

This Commercial Paper Offering Memorandum is to be used for the limited purpose of providing information in connection with the delivery of an Amended and Restated Irrevocable Transferable Direct-Pay Letter of Credit dated April [30], 2025 (the “Letter of Credit”) by Sumitomo Mitsui Banking Corporation, acting through its New York Branch (the “Credit Provider”) for the Notes.

The Credit Agreement provides for advances in connection with the payment of principal and interest, from time to time, on any or all Notes at their respective maturity. The Letter of Credit will expire (subject to earlier termination pursuant to its terms) on May 14, 2029 (the “Stated Expiration Date”) but may be extended or replaced as provided in the Credit Agreement and the CP Order. See “APPENDIX F- EXTRACT OF CERTAIN PROVISIONS OF THE LETTER OF CREDIT AND OF THE REIMBURSEMENT AGREEMENT” herein.

In certain circumstances, the Letter of Credit will terminate or be suspended prior to its Stated Expiration Date. See “Appendix F- Extract Of Certain Provisions Of THE LETTER OF CREDIT AND OF THE REIMBURSEMENT AGREEMENT” herein.

ISSUER

OCWUT, formerly the Oklahoma City Municipal Improvement Authority, was created as a public trust pursuant to Title 60 of the Oklahoma Statutes 2021, Section 176, et seq., as amended. OCWUT was established pursuant to a Trust Indenture dated as of August 1, 1960, as amended, on behalf of the City of Oklahoma City, Oklahoma (the “City”), which is the beneficiary of OCWUT. The purpose of OCWUT is generally to provide financing, through loans and the issuance of revenue bonds or other debt instruments, for the construction and acquisition of water, sewer, and solid waste management facilities and other general improvements to and for the extension, repair and replacement of the water, sewer, and solid waste management systems serving the City and surrounding communities. The provisions of the Trust Indenture, as amended, provide OCWUT the authority to lease or otherwise manage the related water, sewer, and solid waste management systems. OCWUT will receive all revenues generated from the water, sewer, and solid waste management systems to pay the debt service requirements on revenue bonds or other debt instruments issued by OCWUT plus costs and expenses incident to operating and maintaining the water, sewer, and solid waste management systems.

The City Manager, the Mayor, one Council person, and two citizens of the City who are appointed by the City Council serve as trustees of OCWUT. OCWUT does not have the power to levy taxes. The City has no obligation for debt issued by OCWUT.

Excerpts from the basic financial statements of OCWUT for the fiscal year ended June 30, 2023, are included in this Offering Memorandum in APPENDIX A.

The Amended Lease Agreement dated November 1, 1985 (the “Water Lease”), between OCWUT and the City, provides that all City-owned water system assets (as of the date of the Water Lease, as well as property acquired thereafter) is leased to OCWUT. The Sewer System Lease Agreement dated July 1, 1986 (the “Sewer Lease”), between OCWUT and the City, provides that all City owned sanitary sewer assets (as of the date of the Sewer Lease, as well as property acquired thereafter) is leased to OCWUT. The Solid Waste Management System Lease Agreement dated March 31, 2021 (the “Solid Waste Lease”), between OCWUT and the City, provides that all City-owned solid waste management system assets (as of the date of the Solid Waste Management Lease, as well as property acquired

thereafter) is leased to OCWUT. The Water Lease, Sewer Lease, and the Solid Waste Lease are referred to collectively herein as the “Lease Agreement”. The Lease Agreement also provides that all revenue generated by these assets will accrue to OCWUT. OCWUT is responsible for payment of all debt service requirements and expenses incident to the management and conservation of OCWUT, as well as for paying or providing for the payment of all costs and expenses of operating, maintaining, and improving the water, sewer, and solid waste management systems.

Pursuant to a Lease Extension dated July 26, 2022, the term of the Water Lease and Sewer Lease extends until March 31, 2071. The term of the Solid Waste Lease extends until March 31, 2071. Further, the Lease Agreement provides that it shall remain in effect until all indebtedness incurred by OCWUT and secured by the revenues of the Trust Estate or from the revenues derived therefrom, has been paid or provision for the payment thereof has been made.

PURPOSE

The Notes will be issued to currently refund outstanding Notes previously issued by OCWUT, to provide funds to finance the construction, purchase, maintenance, repair or replacement of certain water and/or wastewater and/or solid waste management facilities, and to recapture funds previously expended for water and/or wastewater and/or solid waste management facilities, all as provided in OCWUT’s ongoing annual capital improvement program.

DESCRIPTION OF THE NOTES

Tax-Exempt Notes

The Tax-Exempt Notes will mature in not more than 270 days from their respective dates of issue and will pay principal plus accrued interest at maturity. Interest will be calculated on an actual/365 or 366-day year basis, and the Tax-Exempt Notes will be sold at par.

Taxable Notes

The Taxable Notes will mature in not more than 270 days from their respective dates of issue and will pay principal plus accrued interest at maturity. Interest will be calculated based on the actual number of days elapsed in a year containing twelve 30-day months, and the Taxable Notes will be sold at par or at a discount of not less than 96%, provided that the Taxable Notes may be sold for a price less than 96% subject to the conditions set forth in the Act, or as otherwise allowed under Oklahoma law.

The interest rate on the Notes may not exceed the maximum interest rate allowed by Oklahoma law, as amended, which currently is 14%. The Notes will be issued in registered form in denominations of \$100,000 or integral multiples of \$1,000 in excess thereof. Subject to the procedures described in APPENDIX C – “DESCRIPTION OF BOOK-ENTRY ONLY ISSUANCE,” the Notes will be payable at the New York offices of U.S. Bank Trust Company, National Association, as the Issuing and Paying Agent.

SECURITY FOR THE NOTES

To provide security for the payment of the Notes and on a parity basis, the amounts due under the Credit Agreement, including the Bank Note (as defined in the Credit Agreement; See APPENDIX F)

in favor of the Credit Provider as the same shall become due and payable, the CP Order grants a lien on, security interest in and pledge of the following, to the holders of the Notes and the Credit Provider, in each case wherever located, whether now owned or hereafter acquired or arising and whether governed by Article 9 of the UCC or other law: (i) the proceeds from the sale of Notes from time to time hereafter issued to pay the principal amount of outstanding Notes and the principal amount of the Bank Note, (ii) proceeds from the sale of permanent financing bonds issued by OCWUT from time to time hereafter for the purpose of paying the principal amounts of or interest on the Notes and the Bank Note, (iii) Advances drawn to pay the principal amounts of and interest on outstanding Notes, (iv) amounts held in the Commercial Paper Note Payment Account, and (v) subject to a prior lien in favor of OCWUT's Senior Lien Bonds (as defined in the CP Order and described in APPENDIX E hereto) a lien on the following property:

(1) The rights of OCWUT in and to and all of the rights to receive, the Gross Revenues of the System as defined in the General Bond Indenture;

(2) All rights, titles and interests of OCWUT in and to the personal property rights contained in OCWUT's leasehold interest in the System and in all other personal property owned by OCWUT and all of OCWUT's rights to receive amounts relating thereto;

(3) The present and hereafter acquired interest of OCWUT in and to the Lease Agreement;

(4) All funds and accounts created under the CP Order; and

(5) All of OCWUT's rights, title and interests in, to and under the following properties, assets and rights, including as relating to OCWUT and/or the System, to receive each of the following:

(a) All accounts, chattel paper (whether tangible or electronic), deposit accounts, documents, instruments, general intangibles (including payment intangibles and software), and investment property and all other financial assets (including any securities accounts and security entitlements relating thereto), all insurance and insurance claims (subject to Section 6.13 of the General Bond Indenture) including insurance covering interruption loss relating to the System, and all supporting obligations evidenced by or arising out of or otherwise relating to the foregoing collateral described above in this Section 4.01 including, without limitation, in clauses (1) through (5) above, as such terms are defined in Article 9 of the UCC; and

(b) Any and all products and proceeds of any and all of the foregoing, including, without limitation, insurance proceeds (subject to Section 6.13 of the General Bond Indenture), including insurance covering interruption loss relating to the System.

Letter of Credit

The Notes will be supported by the Letter of Credit issued by the Credit Provider pursuant to the Credit Agreement.

See APPENDIX B hereto for certain information concerning and provided by the Credit Provider.

See APPENDIX F hereto for an extract of certain provisions of the Credit Agreement.

EXCEPT FOR INFORMATION CONTAINED IN APPENDIX B TO THIS OFFERING MEMORANDUM, THE CREDIT PROVIDER ASSUMES NO RESPONSIBILITY FOR THIS OFFERING MEMORANDUM AND HAS NOT REVIEWED OR UNDERTAKEN TO VERIFY ANY INFORMATION CONTAINED HEREIN.

Loans under the Credit Agreement for the Payment of Interest

In the Credit Agreement, OCWUT promises to pay the Credit Provider the portion of each advance used to pay interest on maturing Notes on the date said funds are drawn.

In certain circumstances, the Letter of Credit will terminate or be suspended prior to its Stated Expiration Date. See “Appendix F- Extract Of Certain Provisions Of The LETTER OF CREDIT AND OF THE REIMBURSEMENT AGREEMENT” herein.

Substitute Credit Agreement

Pursuant to the CP Order, OCWUT reserves the right to substitute one or more Credit Agreements for the initial Credit Agreement, with one or more providers, so long as:

- (a) such substitution (or any assignment of all or any part of any credit agreement) either (i) does not cause any Rating Agency then rating the Notes to withdraw, lower, or suspend its short-term rating assigned to any Note then Outstanding, as evidenced by written notice to OCWUT or (ii) takes effect on the Business Day next following the date on which all then Outstanding Notes are scheduled to mature;
- (b) the Credit Agreement must have a term of at least two hundred seventy (270) days or until at least three (3) Business Days after the last maturing Note then Outstanding; and
- (c) the substitute Credit Agreement shall not cause OCWUT to violate its covenants in the CP Order.

Notice of such substitution: In the event that OCWUT substitutes a Credit Agreement for any existing Credit Agreement, OCWUT shall cause notice of the proposed substitution to be sent to the Registered Owners by United States mail, first class, postage prepaid, not less than fourteen (14) days prior to the date that such substitution is scheduled to take effect.

So long as any Note remains Outstanding, OCWUT covenants to maintain a Credit Agreement in full force and effect, pursuant to the terms of the CP Order.

NOTICES AND CONSENTS

The Second Amended and Restated Dealer Agreement between the OCWUT and J.P. Morgan Securities, Inc. dated as of April 1, 2025 (the “Dealer Agreement”) provides that OCWUT will provide at least fifteen (15) days written notice to the Dealer and the Issuing and Paying Agent of any substitution of credit or liquidity providers under the Credit Agreement or their failure to perform.

The CP Order provides that OCWUT shall give to each credit rating agency that has issued a rating on the Notes notice of each proposed amendment to the CP Order, and each increase or decrease in

the commitment under or other amendment to the Credit Agreement. OCWUT has further agreed in the CP Order to provide any other notices to and obtain any consents from the Credit Provider, Dealer, Issuing and Paying Agent or others to the extent required by the Credit Agreement, Dealer Agreement and Issuing and Paying Agency Agreement.

TAX STATUS

The Tax-Exempt Notes

General Matters. In the opinion of The Public Finance Law Group, PLLC, Oklahoma City, Oklahoma, and Williams, Box, Forshee & Bullard, P.C., Oklahoma City, Oklahoma, acting as co-bond counsel to OCWUT (“Co-Bond Counsel”), rendered in part in reliance upon certain opinions of Kutak Rock LLP, Special Tax Counsel, with respect to certain federal tax matters, under existing laws, regulations, rulings and judicial decisions, interest on the Tax-Exempt Notes is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. The opinion described above assumes the accuracy of certain representations and compliance by OCWUT with covenants designed to satisfy the requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be met subsequent to the issuance of the Tax-Exempt Notes. Failure to comply with such requirements could cause interest on the Tax-Exempt Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Tax-Exempt Notes. Neither Co-Bond Counsel nor Special Tax Counsel, have expressed any opinion regarding other federal tax consequences arising with respect to the Tax-Exempt Notes. Interest on the Tax-Exempt Notes may affect the federal alternative minimum tax imposed on certain corporations. See APPENDIX D hereto for the form of opinion proposed to be rendered by Co-Bond Counsel.

The foregoing opinions are based on the Code and regulations, rulings and court decisions thereunder in existence on the date of issue of the Tax-Exempt Notes. Such authorities are subject to change and any such change could prospectively or retroactively result in the inclusion of the interest on the Tax-Exempt Notes in gross income of the owners thereof or change the treatment of such interest for purposes of computing alternative minimum taxable income.

In rendering such opinions, Co-Bond Counsel and Special Tax Counsel have assumed continuing compliance by OCWUT with certain covenants contained in the Order and certain tax agreements and certifications (the “Tax Documents”) and have relied on representations by OCWUT, with respect to matters solely within the knowledge of OCWUT, which neither Co-Bond Counsel nor Special Tax Counsel has independently verified. The covenants and representations relate to, among other things, the use of Tax-Exempt Note proceeds, the source of repayment of the excess arbitrage earned on the investment of Tax-Exempt Note proceeds and certain other amounts to be paid periodically to the United States and that OCWUT file an information report with the Internal Revenue Service. If OCWUT should fail to comply with the covenants in the Tax Documents, or if their representations relating to the Tax-Exempt Notes that are contained in the Order and the Tax Documents should be determined to be inaccurate or incomplete, interest on the Tax-Exempt Notes could become taxable from the date of delivery of the Tax-Exempt Notes, regardless of the date on which the event causing such taxability occurs.

The accrual or receipt of interest on the Tax-Exempt Notes may otherwise affect the federal income tax liability of the owners of the Tax-Exempt Notes. The extent of these other tax

consequences will depend on such owners' particular tax status and other items of income or deduction. Neither Co-Bond Counsel nor Special Tax Counsel has expressed any opinion regarding any such consequences.

Purchasers of the Tax-Exempt Notes, particularly purchasers that are corporations (including S corporations, foreign corporations operating branches in the United States of America, and certain corporations subject to the alternative minimum tax imposed on corporations), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Tax-Exempt Notes.

The Tax-Exempt Notes will not be "qualified tax- exempt obligations" for purposes of Section 265(b)(3) of the Code.

The Taxable Notes

General Matters. Interest on the Taxable Notes is included in gross income for federal income tax purposes. Owners of the Taxable Notes should be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Taxable Notes may have federal income tax consequences not described herein and should consult their own tax advisors with respect to federal income tax consequences of owning such Taxable Notes. Bond Counsel expresses no opinion regarding any federal or state tax consequences arising with respect to the Taxable Notes other than as expressly described herein.

Backup Withholding

An owner of a Note may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the Notes if such owner fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner's taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to report interest, dividends or other "reportable payments" (as defined in the Code) properly, or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

Oklahoma Income Taxation

In the opinion of Co-Bond Counsel, under existing law, interest on the Notes is exempt from State of Oklahoma income taxation.

No Other Opinions

Except as stated above, neither Co Bond Counsel nor Special Tax Counsel will express an opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt or accrual of interest on or acquisition or disposition of the Notes.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading “TAX STATUS” or adversely affect the market value of the Notes. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to obligations issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Notes. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Notes or the market value thereof would be impacted thereby. Purchasers of the Notes should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Co-Bond Counsel and Special Tax Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Notes, and Co-Bond Counsel and Special Tax Counsel have expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE NOTES AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE NOTES.

FINANCIAL ADVISOR

PFM Financial Advisors LLC was retained by OCWUT to act as Financial Advisor in connection with this financing and has assisted in the preparation of certain information in this Offering Memorandum. Such firm will receive compensation for its services as Financial Advisor. The Financial Advisor is not a public accounting firm and has not been engaged by the OCWUT to compile, review, examine or audit any information in this Offering Memorandum in accordance with accounting standards. The Financial Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the offering and sale of the Notes.

RATINGS

Moody's Investors Service, Inc. (“Moody’s”), assigned a rating of “P-1” to the Notes and Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business (“S&P”), assigned a rating of “A-1+” to the Notes based upon and subject to the delivery of the Credit Agreement. Moody's currently assigns a long-term rating of “Aaa” to OCWUT's Senior Lien Bonds and S&P currently assigns a long-term rating of “AAA” to OCWUT's Senior Lien Bonds. The ratings reflect only the views of the rating agencies, from whom an explanation of the significance of such ratings may be obtained. There is no assurance that the ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely if, in the judgment of the respective rating agency, circumstances so warrant. Any such downward revision or withdrawal could have an adverse effect on the market price of the Notes. OCWUT will undertake no responsibility to notify the owners of the Notes of any proposed revisions or withdrawals of any ratings or to oppose any

such proposed revision or withdrawal. Any such revision or withdrawal could have an adverse effect on the market price and marketability of the Notes.

INDEPENDENT AUDITORS

Excerpts from the basic financial statements of OCWUT for the fiscal year ended June 30, 2023, are included in this Offering Memorandum in APPENDIX A. The basic financial statements were audited by Allen, Gibbs & Houlik, L.C. (the “Auditor”), but OCWUT has not requested the Auditor to reissue its report related to such basic financial statements and the Auditor has not performed any procedures in connection with this Offering Memorandum.

LITIGATION

It is the opinion of the Municipal Counselor that there is no pending litigation against the Issuer that would have a material adverse financial impact upon the Issuer or its operations other than any potential impact from the matter discussed below.

***Chickasaw Nation v. Fallin*, CIV 11-927-W (W.D. Ok.).**

On August 18, 2011, the Chickasaw Nation and Choctaw Nation of Oklahoma (the “Indian Nations”) filed a complaint in the United States District Court for the Western District of Oklahoma against Oklahoma Governor Fallin, the nine members of the Oklahoma Water Resources Board (the “OWRB”), the Executive Director of the OWRB, the City and the Issuer. A settlement has been reached and a Settlement Agreement was executed and approved by the Issuer on August 16, 2016.

Oklahoma Water Resources Board v. United States of America, CIV 12-275-W (W.D. Ok.).

On February 10, 2012, the Oklahoma Attorney General filed on behalf of the OWRB an application for the Supreme Court of Oklahoma to assume original jurisdiction to initiate such McCarran Amendment adjudication proceedings to protect and accurately determine all rights to the use of water in the Kiamichi, Clear Boggy, and Muddy Boggy stream systems, and moved to dismiss the Tribes’ federal court action as a premature effort to have federal courts usurp Oklahoma’s management of waters of the State. On February 23, 2012, the Oklahoma Supreme Court granted the application to assume original jurisdiction in the case Oklahoma Water Resources Board v. United States of America Case No. 110375. The United States removed this action to the United States District Court CIV 12-275-W (W.D. Ok.). A settlement has been reached and a Settlement Agreement was executed and approved by the Issuer on August 16, 2016.

After the execution of the Settlement Agreement (see *Chickasaw Nation v. Fallin* above), the City applied for water rights and, upon satisfaction and completion of the notice and hearing requirements of Oklahoma law, was issued OWRB Permit No. 2017-0017 for water appropriation out of the Kiamichi basin. Permit No. 2017-0017 was appealed by a small group of southeastern Oklahomans. Judge DeBerry heard arguments on September 25, 2019. The District Court upheld the issuance of the Permit No. 2017-0017 by the OWRB. Subsequently, Plaintiffs appealed to the Oklahoma Supreme Court. On October 3, 2023, the Oklahoma Supreme Court affirmed the holding of the District Court.

On February 28, 2024, the Secretary of the Department of Interior published the Statement of Findings: Choctaw Nation of Oklahoma and the Chickasaw Nation Water Rights Settlement in the

Federal Register. The litigations, *Chickasaw Nation v. Fallin*, above and this case *OWRB v. USA*, are complete and the Settlement Agreement is now final and effectuated.

Deer Creek Water Corporation v. Oklahoma City and the Oklahoma City Water Utilities Trust, United States District Court for the Western District of Oklahoma Case No. CIV 19-1116-SLP.

In 2019, the City and the Issuer have been sued by the Deer Creek Water Corporation for infringement of their service area in an action in the Western District of the United States District Court styled: *Deer Creek Water Corporation v. Oklahoma City and the Oklahoma City Water Utilities Trust*. Deer Creek is a private water corporation, which alleges, although it is not a water district or has any prescribed service area, has an exclusive right to provide water service as it deems. The City and the Issuer counterclaimed for a determination of whether Deer Creek has any service area and if so the determination of where that service area might be. The District Court granted judgment in favor of the Issuer and the Tenth Circuit reversed and remanded the case for further hearings. The City and the Issuer filed a petition for certiorari with the United States Supreme Court which was denied. Meanwhile, in 2024, Deer Creek was granted permission to amend its complaint to which the City and the Issuer are responding.

ASI Construction LLC v The City of Oklahoma City, OCWUT, and Freese and Nichols, Inc., United States District Court for the Western District of Oklahoma Case No. CIV 21-1138-JD.

On May 22, 2018, the Issuer awarded Project WC-0864, Atoka Dam and Spillway Rehabilitation, to ASI Construction LLC (“ASI”) in the amount of \$27,948,808. The Project has yet to be accepted by the Issuer. ASI is well beyond the date for completion of the Project. On December 3, 2021, ASI filed an action against the Issuer, the City and Freese and Nichols (the project engineer) requesting damages of over \$17 million, well in excess of the limits of the Competitive Bidding Act and the Governmental Tort Claims Act. The Oklahoma Competitive Bidding Act limits change orders on construction contracts to ten (10%) percent of the contract price and the Governmental Tort Claims act limits potential recovery for torts to \$1,000,000 per occurrence. The City is not a party to this Contract. Outside counsel has been engaged to provide legal services. The Issuer has counterclaims against ASI for damages, costs and expenses incurred because of the failures of ASI to comply with the contract and failure to timely complete the Project. Further, the Issuer has and will present several defenses, but it is too early to project the outcome of the litigation.

Vadnais Trenchless Services, Inc. v the OCWUT, and Triad Design Group, Inc, and AECOM, Inc., United States District Court for the Western District of Oklahoma Case No. CIV 24-166-SLP.

On July 30, 2019, the Issuer awarded Project WC-0875, Atoke Pipeline Raw Water Transmission Line, Canadian River Crossing to Vadnais Trenchless Services, Inc., in the amount of \$29,482,384. The Project has yet to be accepted as complete by the Issuer. Vadnais is well beyond the date of completion of the Project. Vadnais has filed a claim for reimbursement alleging geotechnical testing, differing site conditions, denial of extraordinary construction methods, and engineering design have delayed construction. Vadnais filed an action against the Issuer in the United States District Court for the Western District of Oklahoma on February 13, 2024. The City is not a party to the Contract or the litigation. Vadnais is requesting damages of over \$75,000 (the threshold for federal court jurisdiction) but has made claims more than the limits of the Competitive Bidding Act and the Governmental Tort Claims Act. The Oklahoma Competitive Bidding Act limits change orders on construction contracts

to ten (10%) percent of the contract price and the Governmental Tort Claims act limits potential recovery for torts to \$1,000,000 per occurrence. In addition, the Issuer has claims against Vadnais for damages, costs and expenses incurred because of the failure of Vadnais to comply with the contract and failure to timely complete the Project. Further, the Issuer has and will present several defenses, but it is too early to project the outcome of the litigation.

AVAILABLE INFORMATION

The Notes are exempt from the continuing disclosure requirements of SEC Rule 15c2-12, and OCWUT has not entered into any continuing disclosure agreement or undertaking with respect to the Notes.

OCWUT has previously undertaken, in connection with its outstanding bonds, to provide the annual financial statements for OCWUT (the “Audited Financial Statements”) and certain financial information and operating data relating to OCWUT (the “Annual Financial Information”) to the Municipal Securities Rulemaking Board’s (the “MSRB”) Electronic Municipal Market Access website (“EMMA”). OCWUT shall also provide notice of certain enumerated events within ten business days of the occurrence thereof (each a “Material Event Notice” and, together, the “Material Event Notices”). Copies of such Audited Financial Statements, Annual Financial Information and the Material Event Notices are available on EMMA.

OCWUT also incorporates by reference in this Offering Memorandum any other official statements, Audited Financial Statements, Annual Financial Information, Material Event Notices or voluntary materials hereafter filed by OCWUT with the MSRB through EMMA (www.emma.msrb.org) relating to the Notes or any other securities currently outstanding or hereafter issued by OCWUT. Any statement contained in a document incorporated by reference herein will be deemed to be modified or superseded for purposes of this Offering Memorandum to the extent that a statement herein or in any other subsequent document that also is incorporated by reference herein modifies or supersedes such statement.

MISCELLANEOUS

NO DEALER, BROKER, SALESMAN, OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN AS CONTAINED IN THE COMMERCIAL PAPER MEMORANDUM IN CONNECTION WITH THE OFFERING DESCRIBED HEREIN AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THIS COMMERCIAL PAPER MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE NOTES OFFERED HEREBY, NOR IS THERE ANY OFFER OR SOLICITATION OF SUCH OFFER OR SALE OF NOTES IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION, OR SALE. NEITHER THE DELIVERY OF THIS COMMERCIAL PAPER MEMORANDUM NOR THE SALE OF ANY OF THE NOTES IMPLIES THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF. THE INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED FROM OCWUT, PUBLISHED SOURCES, AND OTHER DATA FURNISHED BY OCWUT. THE DEALER MAKES NO REPRESENTATION AS TO EITHER THE ACCURACY OR

COMPLETENESS OF THE INFORMATION HEREIN. ADDITIONAL COPIES OF THIS COMMERCIAL PAPER MEMORANDUM MAY BE REQUESTED FROM J.P. MORGAN.

For Information – Please Contact:

J.P. Morgan Securities LLC

Adrian Budischak (212) 834-3430

APPENDIX A

**EXCERPTS OF OCWUT'S BASIC FINANCIAL STATEMENTS FOR FISCAL YEAR
JUNE 30, 2023**

APPENDIX B

The information contained in this Appendix B has been provided by the Credit Provider. No representation as to the accuracy or completeness of such information is made by OCWUT or the Remarketing Agent. The delivery of the Commercial Paper Offering Memorandum shall not create any implication that there has been no change in the affairs of the Credit Provider since the date hereof, or that the information contained or referred to in this Section is correct as of any time subsequent to its date.

Sumitomo Mitsui Banking Corporation

Sumitomo Mitsui Banking Corporation (*Kabushiki Kaisha Mitsui Sumitomo Ginko*) (“**SMBC**”) is a joint stock corporation with limited liability (*Kabushiki Kaisha*) under the laws of Japan. The registered head office of SMBC is located at 1-1-2, Marunouchi, Chiyoda-ku, Tokyo, 100-0005, Japan.

SMBC was established in April 2001 through the merger of two leading banks, The Sakura Bank, Limited and The Sumitomo Bank, Limited. In December 2002, Sumitomo Mitsui Financial Group, Inc. (“**SMFG**”) was established through a statutory share transfer (*keabushiki-iten*) as a holding company under which SMBC became a wholly-owned subsidiary.

SMBC is one of the world’s leading commercial banks and provides an extensive range of banking services to its customers in Japan and overseas. In Japan, SMBC accepts deposits, makes loans and extends guarantees to corporations, individuals, governments and governmental entities. It also offers financing solutions such as syndicated lending, structured finance and project finance. SMBC also underwrites and deals in bonds issued by or under the guarantee of the Japanese government and local government authorities, and acts in various administrative and advisory capacities for certain types of corporate and government bonds. Internationally, SMBC operates through a network of branches, representative offices, subsidiaries and affiliates to provide many financing products, including syndicated lending and project finance.

The New York Branch of SMBC is licensed by the New York State Department of Financial Services to conduct branch banking business at 277 Park Avenue, New York, New York, and is subject to examination by the New York State Department of Financial Services and the Federal Reserve Bank of New York.

Financial and Other Information

Audited consolidated financial statements for SMFG and its consolidated subsidiaries, as well as other corporate data, financial information and analyses, are available in English on SMFG's website at www.smfg.co.jp/english. The information on SMFG’s website does not form part of this Disclosure/Prospectus Supplement and is not incorporated herein by reference. SMBC does not accept any responsibility for any information contained in this Disclosure/Prospectus Supplement other than the information relating to SMBC, acting through its New York Branch.

The delivery of the Official Statement shall not create any implication that there has been no change in the affairs of SMBC since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to its date.

APPENDIX C

DESCRIPTION OF BOOK-ENTRY-ONLY ISSUANCE

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of CEDE & Co. (DTC’s partnership nominee). One fully-registered certificate will be issued for each maturity of the 2019 Notes in the aggregate principal amount of each such maturity and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings from the Direct or Indirect Participant through which the Beneficial Owners entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Participants with DTC are registered in the name of DTC’s partnership nominee, CEDE & Co. The deposit of Notes with DTC and their registration in the name of CEDE & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the

Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Notes are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor CEDE & Co. will consent or vote with respect to the Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer as soon as possible after the record date. The Omnibus Proxy assigns CEDE & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made by OCWUT's Paying Agent/Registrar bank to DTC. DTC's practice is to credit Direct Participants' accounts on payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such Participant and not of DTC, the Agent, or the issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the issuer or the Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to the issuer or the Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Note certificates are required to be printed and delivered.

OCWUT may decide to discontinue use of the system of book-entry transfer through DTC (or a successor securities depository). In that event, Note certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that OCWUT believes to be reliable, but OCWUT takes no responsibility for the accuracy thereof.

APPENDIX D
FORM OF CO-BOND COUNSEL OPINION
SERIES A (TAX-EXEMPT)

[April 30], 2025

Oklahoma City Water Utilities Trust
420 West Main Street, Suite 500
Oklahoma City, Oklahoma 73102

RE: Oklahoma City Water Utilities Trust Commercial Paper Notes, Series
A (Tax-Exempt)

Ladies and Gentlemen:

We have acted as co-bond counsel to the Oklahoma City Water Utilities Trust (the “Issuer”). We have examined a certified copy of the Transcript of Proceedings of the Trustees of the Oklahoma City Water Utilities Trust related to the issuance of its Commercial Paper Notes, Series A (Tax-Exempt) (the “Tax-Exempt Notes”) and Commercial Paper Notes, Series B (Taxable) (the “Taxable Notes”, and collectively with the Tax-Exempt Notes, the “Notes”), dated as of delivery from time to time in the combined principal amount of not to exceed \$500,000,000 at any one time and not to exceed \$700,000,000 in total aggregate principal amount, and a specimen Master Note of the issue, and based upon such examination, it is our opinion that said issue is lawfully authorized by said proceedings under present law. The Tax-Exempt Notes are issuable only in registered form in denominations of \$100,000 and integral multiples of \$1,000 in excess thereof and shall mature, bear interest, be payable and subject to redemption as set forth on the face thereof and in the Order (defined below).

The items examined included (i) the Trust Indenture dated as of April 17, 1960, creating the Issuer, as amended; (ii) an Amended Lease Agreement dated November 1, 1985, and a Sewer System Lease Agreement dated July 1, 1986, both of which were amended by a Lease Extension dated July 26, 2022, by which The City of Oklahoma City, Oklahoma (the “City”) leased to the Issuer all then existing and thereafter acquired water and sewer systems for a term extending to March 31, 2071, and so long thereafter as any indebtedness of the Issuer secured by the water and sewer systems or their revenues shall remain unpaid, and a Solid Waste Management System Lease Agreement dated March 31, 2021, by which the City leased to the Issuer all then-existing and thereafter acquired solid waste management system for a term ending March 31, 2071, and so long thereafter as any indebtedness of the Issuer secured by the solid waste management system or its revenues shall remain unpaid; (iii) the Amended and Restated General Bond Indenture dated April 1, 1987, and all amendments and supplements thereto (said Amended and Restated General Bond Indenture and all supplements thereto being herein called the “Indenture”); (v) the relevant provisions of the Constitution and Statutes of the State of Oklahoma; and (vi) the Trust’s Resolution dated April 22, 2025, approving and authorizing the issuance of the Trust’s Commercial Paper Notes, Series A (Tax-Exempt) and Commercial Paper Notes, Series B (Taxable). We also examined the Note Documents, consisting of

a specimen Tax-Exempt Master Note; the Second Amended and Restated Order Authorizing Commercial Paper Notes dated as of April 1, 2025, (the “Order”); an Amended and Restated Irrevocable Transferable Direct-Pay Letter of Credit dated [April 30], 2024 issued by Sumitomo Mitsui Banking Corporation, acting through its New York Branch, as the “Credit Provider” pursuant to the Amended and Restated Letter of Credit and Reimbursement Agreement dated as of April 1, 2025, between OCWUT and the Credit Provider; the Amended and Restated Fee Letter dated [April 30], 2024 (the “Fee Letter”) between the Issuer and the Credit Provider; the Amended and Restated Bank Note of the Issuer in favor of the Credit Provider dated [April 30], 2024; the Second Amended and Restated Dealer Agreement between the Issuer and J.P. Morgan Securities, Inc. dated as of April 1, 2025; the Second Amended and Restated Depository Agreement and Security Agreement between the Issuer and BancFirst dated as of April 1, 2025, between the Issuer and BancFirst; the Third Amended and Restated Issuing and Paying Agency Agreement between the Issuer and U.S. Bank Trust Company, National Association (the “Issuing and Paying Agent”) dated as of April 1, 2025; and the Tax Compliance Certificate dated as of [April 30], 2025 (the “Tax Compliance Certificate”, and all of the foregoing being herein referred to collectively as the “Note Documents”), and the proceedings authorizing execution and delivery of all of the foregoing (the “Proceedings”).

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Note Documents and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of any offering material relating to the Tax-Exempt Notes and we express no opinion relating thereto.

From such examination, it is our opinion that the Issuer is a validly existing public trust of which the City is beneficiary and, as such, an agency of the State of Oklahoma and regularly constituted authority of the City, that the aforesaid Note Documents are valid and binding obligations of the Issuer according to their terms. The Notes, when duly issued in the form authorized by and otherwise in compliance with the Note Documents, when executed by a duly authorized official of the Issuer and when authenticated by the Issuing and Paying Agent, and the Bank Note are valid and binding obligations of the Issuer according to their terms and are secured by valid and enforceable third priority lien on the Gross Revenues of the Systems (as such terms are defined in the Indenture) and the Pledged Security (as such term is defined in the Order) subordinate to the superior liens in favor of (i) First Tier Debt, and (ii) Second Tier Debt (as such terms are defined in the Credit Agreement, and collectively, the “Senior Lien Bonds”). The Notes are exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended, and Section 3(a)(12) of the Securities Exchange Act of 1934, as amended, and the approval of no agency of the State of Oklahoma other than the Issuer and the City is required for their issuance. No qualification of the Order is required under the Trust Indenture Act of 1939. The Borrower is not an “investment company”, as defined in the Investment Company Act of 1940, as amended.

Under existing laws, regulations, rulings and judicial decisions, interest on the Tax-Exempt Notes is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. The opinion described above assumes the accuracy of certain representations and compliance by the Trust with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Tax-Exempt Notes. Failure to comply with such requirements could cause

interest on the Tax-Exempt Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Tax-Exempt Notes. We express no opinion regarding other federal tax consequences arising with respect to the Tax-Exempt Notes. Interest on the Tax-Exempt Notes may affect the federal alternative minimum tax imposed on certain corporations. The opinions set forth in this paragraph are rendered in part in reliance upon the opinions of Kutak Rock LLP dated [____], 2025 with respect to certain federal tax matters relating to the Tax-Exempt Notes.

Interest on the Tax-Exempt Notes is exempt from Oklahoma state income taxation.

We are further of the opinion as follows:

1. The Note Documents and Proceedings have been duly authorized, executed and delivered by the Issuer and constitute valid and binding instruments and obligations on the part of the Issuer, enforceable in accordance with their respective terms;

2. Neither the execution nor delivery by the Issuer of the Note Documents or the compliance by the Issuer with the terms and conditions thereof conflicts with or results in a breach of or will conflict with or will result in a breach of any of the terms or provisions of the constitution or any laws of the State in force on the date hereof or (so far as is known to such counsel after inquiry with respect thereto) any regulations, orders, writ, injunction or decree of any court or governmental instrumentality, or results or will result in a breach of any of the terms or provisions of any agreement or instrument to which the Issuer is a party or by which the Issuer is bound, or in any such case constitutes or will constitute a default thereunder, or results or will result in the creation or imposition of any mortgage, charge, pledge or other lien or encumbrance upon any of the properties or assets of the Issuer other than the liens and pledges referenced in or contemplated by the Note Documents;

3. All consents, approvals or other actions by or filings with any governmental authority, including without limitation by the City required as of the date of this opinion for the execution and delivery by Issuer of the Note Documents or execution thereof and for the performance by Issuer of the transactions required thereby, have been duly obtained or made and are in full force and effect; and

4. No litigation is pending, or to the knowledge of the undersigned, threatened (a) seeking to restrain or enjoin the issuance, execution or delivery of any of the Notes or any Note Document or the application of the proceeds of the Notes as provided in the Note Documents or the collection of revenues pledged under said Note Documents, (b) in any way contesting or affecting any authority for the issuance of the Notes, the Bank Note or the validity of the Notes or any of the Note Documents, or (c) in any way contesting the corporate existence of the Issuer, or the title to the office of the trustees or officers thereof, or affecting powers of the Issuer under the statutes of the State of Oklahoma, including, without limitation, the power of the Issuer or the City to fix and collect rentals, rates, fees and other charges in connection with the Issuer's utility systems.

It is to be understood that the rights of the owners of the Tax-Exempt Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent

constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases. We do not undertake to advise you of matters which may come to our attention subsequent to the date hereof which may affect our legal opinions and conclusions expressed herein, and we bring to your attention the fact that our legal opinions and conclusions are an expression of professional judgment and are not a guarantee of a result.

Respectfully submitted,

THE PUBLIC FINANCE LAW GROUP
PLLC

WILLIAMS, BOX, FORSHEE &
BULLARD, P.C.

FORM OF CO-BOND COUNSEL OPINION

SERIES B (TAXABLE)

May 14, 2024

Oklahoma City Water Utilities Trust
420 West Main Street, Suite 500
Oklahoma City, Oklahoma 73102

RE: Oklahoma City Water Utilities Trust Commercial Paper Notes, Series
B (Taxable)

Ladies and Gentlemen:

We have acted as co-bond counsel to the Oklahoma City Water Utilities Trust (the “Issuer”). We have examined a certified copy of the Transcript of Proceedings of the Trustees of the Oklahoma City Water Utilities Trust related to the issuance of its Commercial Paper Notes, Series A (Tax-Exempt) (the “Tax-Exempt Notes”) and Commercial Paper Notes, Series B (Taxable) (the “Taxable Notes”, and collectively with the Tax-Exempt Notes, the “Notes”), dated as of delivery from time to time in the combined principal amount of not to exceed \$500,000,000 at any one time and not to exceed \$700,000,000 in total aggregate principal amount, and a specimen Master Note of the issue, and based upon such examination, it is our opinion that said issue is lawfully authorized by said proceedings under present law. The Taxable Notes are issuable only in registered form in denominations of \$100,000 and integral multiples of \$1,000 in excess thereof and shall mature, bear interest, be payable and subject to redemption as set forth on the face thereof and in the Order (defined below).

The items examined included (i) the Trust Indenture dated as of April 1, 1960, creating the Issuer, as amended; (ii) an Amended Lease Agreement dated November 1, 1985, and a Sewer System Lease Agreement dated July 1, 1986, both of which were amended by a Lease Extension dated July 26, 2022, by which The City of Oklahoma City, Oklahoma (the “City”) leased to the Issuer all then existing and thereafter acquired water and sewer systems for a term extending to March 31, 2071, and so long thereafter as any indebtedness of the Issuer secured by the water and sewer systems or their revenues shall remain unpaid, and a Solid Waste Management System Lease Agreement dated March 31, 2021, by which the City leased to the Issuer all then-existing and thereafter acquired solid waste management system for a term ending March 31, 2071, and so long thereafter as any indebtedness of the Issuer secured by the solid waste management system or its revenues shall remain unpaid; (iii) the Amended and Restated General Bond Indenture dated April 1, 1987, and all amendments and supplements thereto (said Amended and Restated General Bond Indenture and all supplements thereto being herein called the “Indenture”); (v) the relevant provisions of the Constitution and Statutes of the State of Oklahoma; and (vi) the Trust’s Resolution dated April 22, 2025, approving and authorizing the issuance of the Trust’s Commercial Paper Notes, Series A (Tax-Exempt) and Commercial Paper Notes, Series B (Taxable). We also examined the Note Documents, consisting of a specimen Taxable Master Note; the Second Amended and Restated Order Authorizing Commercial Paper Notes dated as of April 1, 2025 (the “Order”); an Amended and Restated Irrevocable

Transferable Direct-Pay Letter of Credit dated [April 30], 2025 issued by Sumitomo Mitsui Banking Corporation, acting through its New York Branch, as the “Credit Provider” pursuant to the Amended and Restated Letter of Credit and Reimbursement Agreement dated as of April 1, 2025, between OCWUT and the Credit Provider, the Amended and Restated Fee Letter dated [April 30], 2025 (the “Fee Letter”) between the Issuer and the Credit Provider, and the Amended and Restated Bank Note of the Issuer in favor of the Credit Provider dated [April 30], 2025; the Second Amended and Restated Dealer Agreement between the Issuer and J.P. Morgan Securities, Inc. dated as of April 1, 2025; the Second Amended and Restated Depository Agreement and Security Agreement dated as of April 1, 2025, between the Issuer and BancFirst; and the Third Amended and Restated Issuing and Paying Agency Agreement between the Issuer and U.S. Bank Trust Company, National Association (the “Issuing and Paying Agent”) dated as of [April 1], 2025 (all of the foregoing being herein referred to collectively as the “Note Documents”), and the proceedings authorizing execution and delivery of all of the foregoing (the “Proceedings”).

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Note Documents and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of any offering material relating to the Taxable Notes and we express no opinion relating thereto.

From such examination, it is our opinion that the Issuer is a validly existing public trust of which the City is beneficiary and, as such, an agency of the State of Oklahoma and regularly constituted authority of the City, that the aforesaid Note Documents are valid and binding obligations of the Issuer according to their terms. The Notes, when duly issued in the form authorized by and otherwise in compliance with the Note Documents, when executed by a duly authorized official of the Issuer and when authenticated by the Issuing and Paying Agent, and the Bank Note are valid and binding obligations of the Issuer according to their terms and are secured by valid and enforceable third priority lien on the Gross Revenues of the Systems (as such terms are defined in the Indenture) and the Pledged Security (as such term is defined in the Order) subordinate to the superior liens in favor of (i) First Tier Debt, and (ii) Second Tier Debt (as such terms are defined in the Credit Agreement, and collectively, the “Senior Lien Bonds”). The are exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended, and Section 3(a)(12) of the Securities Exchange Act of 1934, as amended, and the approval of no agency of the State of Oklahoma other than the Issuer and the City is required for their issuance. No qualification of the Order is required under the Trust Indenture Act of 1939. The Borrower is not an “investment company”, as defined in the Investment Company Act of 1940, as amended.

We express no opinion regarding any federal tax consequences arising with respect to the Taxable Notes.

Interest on the Taxable Notes is exempt from Oklahoma state income taxation.

We are further of the opinion as follows:

1. The Note Documents and Proceedings have been duly authorized, executed and delivered by the Issuer and constitute valid and binding instruments and obligations on the part of the Issuer, enforceable in accordance with their respective terms;
2. Neither the execution nor delivery by the Issuer of the Note Documents or the compliance by the Issuer with the terms and conditions thereof conflicts with or results in a breach of or will conflict with or will result in a breach of any of the terms or provisions of the constitution or any laws of the State in force on the date hereof or (so far as is known to such counsel after inquiry with respect thereto) any regulations, orders, writ, injunction or decree of any court or governmental instrumentality, or results or will result in a breach of any of the terms or provisions of any agreement or instrument to which the Issuer is a party or by which the Issuer is bound, or in any such case constitutes or will constitute a default thereunder, or results or will result in the creation or imposition of any mortgage, charge, pledge or other lien or encumbrance upon any of the properties or assets of the Issuer other than the liens and pledges referenced in or contemplated by the Note Documents;
3. All consents, approvals or other actions by or filings with any governmental authority, including without limitation by the City required as of the date of this opinion for the execution and delivery by Issuer of the Note Documents or execution thereof and for the performance by Issuer of the transactions required thereby, have been duly obtained or made and are in full force and effect; and
4. No litigation is pending, or to the knowledge of the undersigned, threatened (a) seeking to restrain or enjoin the issuance, execution or delivery of any of the Notes or any Note Document or the application of the proceeds of the Notes as provided in the Note Documents or the collection of revenues pledged under said Note Documents, (b) in any way contesting or affecting any authority for the issuance of the Notes, the Bank Note or the validity of the Notes or any of the Note Documents, or (c) in any way contesting the corporate existence of the Issuer, or the title to the office of the trustees or officers thereof, or affecting powers of the Issuer under the statutes of the State of Oklahoma, including, without limitation, the power of the Issuer or the City to fix and collect rentals, rates, fees and other charges in connection with the Issuer's utility systems.

It is to be understood that the rights of the owners of the Taxable Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases. We do not undertake to advise you of matters which may come to our attention subsequent to the date hereof which may affect our legal opinions and conclusions expressed herein, and we bring to your attention the fact that our legal opinions and conclusions are an expression of professional judgment and are not a guarantee of a result.

Respectfully submitted,

THE PUBLIC FINANCE LAW GROUP
PLLC

WILLIAMS, BOX, FORSHEE &
BULLARD, P.C.

APPENDIX E

TABLE OF OUTSTANDING SENIOR LIEN BONDS

Revenue Debt Outstanding by Issue (Dollars are in thousands)

<u>Issue</u>	<u>Dated</u>	<u>Maturity</u> <u>Date</u>	<u>Amount</u> <u>Issued</u>	<u>Amount Outstanding</u> <u>June 30, 2024</u> ⁽¹⁾
Series 2022	7/26/22	2023-2046	267,265	\$ 240,760
Series 2024	5/29/24	2026-2064	262,750	<u>262,750</u>
Total				<u>\$ 503,510</u>

(1) Source: City of Oklahoma City Supplemental Disclosure FY2024

SCHEDULE OF ANNUAL DEBT SERVICE⁽¹⁾

Fiscal Year	Revenue Bond Debt Service Requirements	Subordinate Obligations SRF Loans	Total
2025	\$ 32,231,272	\$ 23,082,975	\$ 55,314,247
2026	35,242,724	20,277,124	55,519,848
2027	37,240,043	20,271,197	57,511,240
2028	37,096,981	20,267,817	57,364,798
2029	37,028,980	20,257,915	57,286,895
2030	36,816,805	20,257,011	57,073,816
2031	36,875,759	20,253,110	57,128,869
2032	36,677,097	19,849,356	56,526,453
2033	36,469,019	19,837,084	56,306,103
2034	36,418,810	19,834,342	56,253,152
2035	36,231,627	19,830,757	56,062,384
2036	31,781,875	19,822,617	51,604,492
2037	31,788,454	19,818,874	51,607,328
2038	31,777,839	19,814,579	51,592,418
2039	31,736,137	19,806,919	51,543,056
2040	28,583,468	19,800,340	48,383,808
2041	24,310,097	19,794,997	44,105,094
2042	24,298,043	16,517,988	40,816,031
2043	24,289,397	16,521,249	40,810,646
2044	22,750,840	15,702,068	38,452,908
2045	22,742,409	15,699,063	38,441,472
2046	22,736,014	15,693,574	38,429,588
2047	18,629,734	14,769,921	33,399,655
2048	15,605,200	12,308,735	27,913,935
2049	15,604,825	10,746,750	26,351,575
2050	15,607,700	7,665,820	23,273,520
2051	15,607,950	813,646	16,421,596
2052	15,604,825	-	15,604,825
2053	15,607,325	-	15,607,325
2054	15,604,450	-	15,604,450
2055	15,605,200	-	15,605,200
2056	15,606,225	-	15,606,225
2057	15,605,138	-	15,605,138
2058	15,606,488	-	15,606,488
2059	15,603,831	-	15,603,831
2060	15,605,594	-	15,605,594
2061	15,605,069	-	15,605,069
2062	15,605,550	-	15,605,550
2063	15,605,200	-	15,605,200
2064	15,607,050	-	15,607,050
2065	15,604,131	-	15,604,131
Total	\$ 994,655,174	\$ 469,315,828	\$ 1,463,971,002

(1) Source: City of Oklahoma City Supplemental Disclosure FY2024

Construction loans still being drawn down on are as follows⁽¹⁾⁽²⁾:

Construction loans still being drawn down on

	Date Authorized	Total Amount Authorized	Outstanding Balance as of 6/30/2024	Authorized but unissued
2018C Clean Water	12/8/2017	\$ 37,700	\$ 24,506	\$ 1,884
2020 Clean Water	8/13/2019	1,947	587	1,101
2020 Drinking Water	8/13/2019	21,750	17,527	2,410
2020A Clean Water	4/14/2020	4,650	1,802	2,461
2020B Drinking Water	4/14/2020	74,000	53,022	17,278
2021 Clean Water	5/25/2021	55,000	1,588	51,878
2022 Drinking Water	2/1/2022	31,645	1,036	30,609
2022A Clean Water	9/13/2022	104,113	12,107	92,006
2023 Drinking Water	4/25/2023	2,225	1,316	187
2023A Clean Water	2/27/2024	54,789	-	54,789
		<u>\$ 387,819</u>	<u>\$ 113,491</u>	<u>\$ 254,603</u>
Commercial Paper	4/22/2025	\$ 500,000	\$ -	\$ 500,000

(1) Source: City of Oklahoma City Supplemental Disclosure FY2024

(2) Dollars in thousands.

APPENDIX F

EXTRACT OF CERTAIN PROVISIONS OF THE LETTER OF CREDIT AND OF THE REIMBURSEMENT AGREEMENT

The following is a summary of provisions of the Letter of Credit to be issued under the Reimbursement Agreement on [April 30], 2025 with respect to the Notes (the “Reimbursement Agreement”) and the Reimbursement Agreement and does not apply to any subsequent replacement letters of credit or reimbursement agreements that may support such Notes. Capitalized terms used under this heading not defined elsewhere in this Commercial Paper Offering Memorandum shall have the meanings set forth in the Reimbursement Agreement. For information regarding the Credit Provider, see APPENDIX B.

Defined Terms

“*Amortization Commencement Date*” means, with respect to any Drawing, the earlier to occur of (i) the date which is ninety (90) days following the related Drawing Date and (ii) the Letter of Credit Expiration Date.

“*Amortization End Date*” means, with respect to any Advance, the earliest to occur of: (i) the third (3rd) anniversary of the date on which the related Drawing was made, (ii) the date on which an Alternate Credit Facility becomes effective in substitution of the Letter of Credit with respect to the Notes, (iii) the date on which the Stated Amount is permanently reduced to zero or the Letter of Credit is otherwise terminated in accordance with its terms (other than as a result of the Letter of Credit terminating on the Letter of Credit Expiration Date), including as a result of the occurrence of an Event of Default, (iv) the date on which the Dealer sells rollover Commercial Paper Notes pursuant to the terms of the CP Order, the Dealer Agreement or the Issuing and Paying Agency Agreement in an amount sufficient to pay all outstanding Commercial Paper Notes maturing on such date and all Advances due and owing hereunder and (v) the end of the term of the Commercial Paper Program in respect of the Notes as determined in accordance with the CP Order, the Issuing and Paying Agency Agreement or any resolution of OCWUT.

“*First Tier Debt*” means all Indebtedness of OCWUT secured by a first Lien on the Gross Revenues and/or the Pledged Security, and includes all OCWUT Senior Bonds (including, but not limited to, all outstanding OCWUT Senior Bonds which are identified on Schedule 6.1(w) attached to the Reimbursement Agreement) and all Indebtedness of OCWUT issued in the future on a parity therewith.

“*Gross Revenues*” has the meaning set forth in the General Bond Indenture.

“*Letter of Credit Expiration Date*” the earliest to occur of: (i) May 14, 2029 (the “*Letter of Credit Expiration Date*”), as such date may be extended in a Notice of Extension from SMBC to the Issuing and Paying Agent and OCWUT, (ii) the date of payment of a Drawing, not subject to reinstatement, which when added to all other Drawings honored under the Letter of Credit which were not subject to reinstatement as provided in the Letter of Credit, in the aggregate equals the

Stated Amount on the date of issuance hereof as adjusted pursuant to the terms and conditions of the Letter of Credit, (iii) the date of SMBC's receipt of a certificate signed by your duly authorized officer in the form attached to the Letter of Credit appropriately completed, or (iv) the earlier of (a) the 15th calendar day (or if such date is not a Business Day, the immediately succeeding Business Day) after the date on which the Issuing and Paying Agent receives written notice from us in the form of final drawing notice attached to the Letter of Credit (the "*Final Drawing Notice*") and (b) the date on which the Drawing resulting from the delivery of the Final Drawing Notice is honored under the Letter of Credit.

"MCA" means the McGee Creek Authority formed and created by a Trust Indenture dated as of August 1, 1977, as amended in its entirety by an Amended Trust Indenture dated as of August 11, 1992, a public trust with the City of Oklahoma City, Oklahoma, as one of its beneficiaries.

"MCA Agreements of Support" means the Agreement of Support among OCWUT, MCA and the United States of America dated as of October 11, 1979, as the same may be amended, restated or supplemented from time to time pursuant to the terms thereof and hereof.

"Net Revenues" has the meaning set forth in the General Bond Indenture.

"OWRB" means the Oklahoma Water Resources Board, or any successor thereto.

"OWRB Loan Agreements" means collectively, the various Loan Agreements relating to the loans with the Oklahoma Water Resources Board, as amended, restated or supplemented from time to time pursuant to the terms thereof and hereof.

"OCWUT Senior Bonds" means all bonds, notes or other forms of indebtedness issued by OCWUT for new projects or to refund outstanding bonds, notes or other indebtedness of OCWUT under the General Bond Indenture, which bonds, notes or other forms of indebtedness are secured by a first priority Lien on the Gross Revenues.

"Payment Obligations" means all obligations of OCWUT to pay Reimbursement Obligations and all other amounts payable to SMBC arising under or pursuant to the Reimbursement Agreement, the Fee Letter and/or the Bank Note, including in each instance all interest accrued thereon.

"Pledged Security" means (i) the proceeds from the sale of Commercial Paper Notes from time to time hereafter issued to pay principal amounts of Outstanding Notes and the principal amount outstanding under the Bank Note, (ii) proceeds from the sale of permanent financing bonds issued by OCWUT from time to time hereafter for the purpose of paying the principal amounts of or interest on the Outstanding Commercial Paper Notes and the Bank Note (and any Bank Note as defined in the CP Order), (iii) Drawings to pay the principal amounts of and interest on Outstanding Notes, (iv) amounts held in the Commercial Paper Note Payment Account (as defined in the CP Order), and (v) subject to superior liens in favor of the Senior Lien Bonds, a lien on the following property:

(1) The rights of OCWUT in and to and all of the rights to receive the Gross Revenues of the System as defined in the General Bond Indenture;

(2) All rights, titles and interests of Trust in and to the personal property rights contained in OCWUT's leasehold interest in the System and in all other personal property owned by OCWUT and all of OCWUT's rights to receive amounts relating thereto;

(3) The present and hereafter acquired interest of Trust in and to the Lease Agreements;

(4) All funds and accounts created under the CP Order, the Issuing and Paying Agency Agreement and/or the Depository Agreement; and

(5) All of OCWUT's rights, title and interests in, to and under the following properties, assets and rights, including as relating to OCWUT and/or the System, to receive each of the following:

(a) All accounts, chattel paper (whether tangible or electronic), deposit accounts, documents, instruments, general intangibles (including payment intangibles and software), and investment property and all other financial assets (including any securities accounts and security entitlements relating thereto), all insurance and insurance claims (subject to Section 6.13 of the General Bond Indenture) including insurance covering interruption loss relating to the System, and all supporting obligations evidenced by or arising out of or otherwise relating to the foregoing collateral described in this definition of "Pledged Security" including, without limitation, in clauses (1) through (5) above, as such terms are defined in Article 9 of the UCC; and

(b) Any and all products and proceeds of any and all of the foregoing, including, without limitation, insurance proceeds (subject to Section 6.13 of the General Bond Indenture), including insurance covering interruption loss relating to the System.

(6) Any additional security, sources of payment or collateral pledged to the Notes, the Bank Note or the Payment Obligations under the CP Order, the General Bond Indenture or any other Related Document.

"Revenues" means Gross Revenues and/or Net Revenues.

"Second Tier Debt" means all Indebtedness secured by Gross Revenues and/or Pledged Security that is subordinate in priority to First Tier Debt but senior in priority to Third Tier Debt, and as of the Effective Date includes, without limitation, (i) the notes outstanding in favor of the Oklahoma Water Resources Board (which as of the Effective Date, are identified on Schedule 6.1(w) attached to the Reimbursement Agreement), and (ii) any Indebtedness of OCWUT issued in the future on a parity therewith.

“*Senior Lien Bonds*” has the meaning set forth in the CP Order as of the Issuance Date.

“*Secured Debt*” means all Indebtedness secured by or payable from a Lien on all or any portion of Revenues and/or Pledged Security.

“*System*” has the meaning set forth in the General Bond Indenture.

“*Third Tier Debt*” means all Indebtedness secured by Gross Revenues and/or Pledged Security that is subordinate in priority to First Tier Debt and Second Tier Debt, and as of the Effective Date includes: (i) the Payment Obligations evidenced by the Bank Note, and (ii) Indebtedness issued in the future on a parity therewith.

“*Unreimbursed Drawing*” means a Drawing or portion thereof for which OCWUT has not reimbursed SMBC and which has not been converted to an Advance pursuant to the Reimbursement Agreement.

General

The Amended and Restated Letter of Credit for the Notes will be issued with a stated amount of \$552,500,000.00 (the initial Stated Amount) and is provided by Sumitomo Mitsui Banking Corporation, acting through its New York Branch (“*SMBC*”). The Letter of Credit shall be issued pursuant to the related Amended and Restated Letter of Credit and Reimbursement Agreement dated as of [April 30], 2025 between OCWUT and SMBC. The stated amount of the Letter of Credit comprises the maximum principal amount of the Notes supported thereby and an interest amount that is based upon an assumed rate of interest of 14% on such principal amount for a period of 270 days calculated on the basis of a year of 360 days. Payment of the principal amount of maturing Notes and interest due on maturing Notes will be made from amounts drawn under the Letter of Credit. The Letter of Credit will expire on the Letter of Credit Expiration Date. All Drawings hereunder shall be paid from immediately available funds of SMBC. The “*Stated Amount*” shall mean the initial Stated Amount (i) less the amount of all prior reductions pursuant to Drawings with respect to the payment at maturity of the principal of and interest at maturity of the Notes, (ii) less the amount of any reduction thereof pursuant to a reduction certificate in the form attached to the Letter of Credit, (iii) plus the amount of all reinstatements as provided in the Letter of Credit.

Reimbursement of Drawings

Drawings under the Letter of Credit must be made by the Issuing and Paying Agent by written notice to SMBC. Under the Reimbursement Agreement, OCWUT promises to pay SMBC the interest portion of each Drawing (the “*Interest Portion*”) on the same day at the date of the Drawing (the “*Drawing Date*”). So long as (i) the representations and warranties of OCWUT are true and correct as of the Drawing Date and (ii) no event of default has occurred and is continuing, or would result from the payment by SMBC of the requested Drawing ((i) and (ii) together, the “*Advance Conditions*”), each Drawing constitutes an “*Advance*” under the Reimbursement Agreement and the principal portion of each Advance shall be paid to SMBC on the Amortization End Date. The principal portion of each Advance is payable in equal quarterly installments commencing on the date that the first Business Day of the third calendar month following the

related Drawing Date and on the first Business Day of each third calendar month thereafter, with the final installment in an amount equal to the entire then outstanding principal amount of such Advance due and payable on the Amortization End Date. If the Advance Conditions are not satisfied, OCWUT also promises to pay to SMBC interest on the unpaid principal amount of each Drawing from Drawing Date until it is paid in full, at a rate per annum equal to the Bank Rate, and such interest shall be payable monthly in arrears on the first Business Day of each calendar month for the immediately preceding calendar month (commencing on the first Interest Payment Date to occur after the making of the related Advance), and on the date that the final principal or interest portion of such Drawing is payable as provided under the Reimbursement Agreement.

Notes may be issued from time to time with maturity dates that occur prior to the Letter of Credit Expiration Date in accordance with the terms and conditions of the Reimbursement Agreement and the CP Order so long as (i) the Issuing and Paying Agent is not in receipt of a Stop Order then in effect given by SMBC pursuant to the Reimbursement Agreement and not rescinded and (ii) the Issuing and Paying Agent is not in receipt of a Final Drawing Notice in substantially the form attached to the Letter of Credit. SMBC may deliver a Stop Order in the form at any time when: (i) a Default or Event of Default shall have occurred and be continuing; or (ii) the representations and warranties of OCWUT set forth in the Reimbursement Agreement shall, in the reasonable opinion of SMBC, no longer be true and correct in any material respect. SMBC may deliver the Final Drawing Notice at any time when an Event of Default shall have occurred and be continuing. A Stop Order or the Final Drawing Notice shall be effective when received by the Issuing and Paying Agent; *provided, however*, that a Stop Order or the Final Drawing Notice received by the Issuing and Paying Agent after 1:00 p.m. New York City time, on any day on which Notes are being issued shall be effective on the next succeeding day. A Stop Order or the Final Drawing Notice may be given by electronic mail transmission, confirmed in writing within twenty-four (24) hours, but the failure to so confirm such Stop Order or the Final Drawing Notice in writing shall not render such Stop Order or the Final Drawing Notice ineffective. SMBC will furnish a copy of any Stop Order or the Final Drawing Notice to OCWUT and the Dealer promptly following delivery thereof to the Issuing and Paying Agent, but the failure to furnish any such copy shall not render ineffective such Stop Order or the Final Drawing Notice.

Representations, Warranties and Covenants

Termination. OCWUT has agreed under the Reimbursement Agreement not to terminate the Letter of Credit except upon the payment to SMBC of all fees, expenses and other Payment Obligations payable under the Reimbursement Agreement, including, without limitation, all principal and accrued interest due and owing on any Drawing or Advances or any amount due under the Bank Note and OCWUT providing SMBC with fifteen (15) calendar days prior written notice of its intent to terminate the Letter of Credit.

Security. OCWUT has represented to SMBC that as of the Effective Date (i) all outstanding Secured Debt, (ii) all outstanding First Tier Debt, (iii) all outstanding Second Tier Debt, and (iv) all outstanding Third Tier Debt, is in each case fully and accurately identified on Schedule 6.1(w) to the Reimbursement Agreement. As of the Effective Date, there is no Secured Debt outstanding other than outstanding First Tier Debt, outstanding Second Tier Debt and outstanding Third Tier Debt, except the MCA Agreement of Support and the other Secured Debt described on Schedule

6.1(w) to the Reimbursement Agreement, which are payable on a basis subordinate to Third Tier Debt. The Lien on Pledged Security securing the payment of the Payment Obligations is and shall be subordinate only to the Lien securing the payment of the First Tier Debt and the Second Tier Debt, and the Pledged Security has not been, and will not be, pledged by OCWUT to the payment of any obligation, other than the First Tier Debt, the Second Tier Debt, the Third Tier Debt, and obligations secured on a basis subordinate to the Third Tier Debt, all as contemplated and permitted by the CP Order, the OWRB Loan Agreements, and the General Bond Indenture, and solely as permitted under the Reimbursement Agreement. All obligations in respect of principal of and interest on the Notes and all Payment Obligations hereunder, under the Bank Note or under the Fee Letter (including, without limitation, the obligation to repay all Drawings and Advances, to pay all interest thereon, and to pay all fees and other amounts payable hereunder) constitute secured obligations of OCWUT payable from Pledged Security, Gross Revenues, all other Collateral and any monies pledged pursuant to the CP Order and the General Bond Indenture, including, without limitation, Section 4.01 of the CP Order and Article V of the General Bond Indenture.

Additional Indebtedness. OCWUT has covenanted not issue or incur any Indebtedness, with a Lien on or payable from Revenues, other Pledged Security or any other Collateral in favor of the Notes, the Bank Note and/or SMBC contemplated under the CP Order, except for:

(i) First Tier Debt strictly in accordance with the General Bond Indenture, *provided that*, in connection with this clause (i), if the obligations of OCWUT under any MCA Agreement of Support are payable from or have a Lien on Revenues on a basis that is senior to the Payment Obligations, then for purposes of calculating the maximum principal and interest on outstanding OCWUT Senior Bonds and/or the Aggregate Bond Service requirements for purposes of Article III of the General Bond Indenture, such calculations shall be modified for purposes of the Reimbursement Agreement to include in such calculations pursuant to such Article III, the maximum aggregate amount of all Contingent Liabilities.

(ii) Second Tier Debt, strictly in accordance with the OWRB Loan Agreements, including the covenants and agreements thereof limiting or conditioning the issuance of additional indebtedness or obligations of OCWUT, which covenants and agreements, together with the related definitions of terms contained therein ("*Second Tier ABT Provisions*"), are hereby incorporated by reference in the Reimbursement Agreement as if each and every such Second Tier ABT Provisions were set forth in the Reimbursement Agreement in its entirety, and such Second Tier ABT Provisions are hereby made for the benefit of SMBC. No termination, amendment to or waiver of such Second Tier ABT Provisions made pursuant to the OWRB Loan Agreements shall be effective to terminate, amend or waive such Second Tier ABT Provisions as incorporated by reference in the Reimbursement Agreement without the prior written consent of SMBC. If the obligations of OCWUT under any MCA Agreement of Support are payable from or have a Lien on Revenues on a basis that is senior to the Payment Obligations, for purposes of calculating the maximum and annual principal and interest on outstanding Indebtedness of OCWUT for the Second Tier ABT Provisions, such calculations shall be modified for purposes of

this subparagraph (ii) to include in such calculations for the Second Tier ABT Provisions, the maximum aggregate amount of all Contingent Liabilities.

(iii) Third Tier Debt, strictly in accordance with the Reimbursement Agreement, if OCWUT provides SMBC with an Accountant's Certificate, an Engineer's Certificate or a Financial Advisor's Certificate (as each of said terms are defined in the General Bond Indenture) certifying that the Net Revenues Available for Debt Service of OCWUT for twelve consecutive months of the eighteen months immediately preceding the issuance of the proposed Third Tier Debt is at least equal to 100% of the maximum annual principal and interest requirements for all outstanding Secured Debt including such proposed Third Tier Debt.

(iv) Indebtedness which is secured on a subordinate lien basis to the First Tier Debt, the Second Tier Debt and the Third Tier Debt (the "*Proposed Subordinate Debt*"), if OCWUT provides SMBC with an Accountant's Certificate, an Engineer's Certificate or a Financial Advisor's Certificate (as each of said terms are defined in the General Bond Indenture) certifying that the Net Revenues Available for Debt Service of OCWUT for twelve consecutive months of the eighteen months immediately preceding the issuance of the Proposed Subordinate Debt is at least equal to 100% of the maximum annual principal and interest requirements for all outstanding Secured Debt including such Proposed Subordinate Debt.

(b) OCWUT shall not incur any Indebtedness after the date of the Reimbursement Agreement unless such Indebtedness is incurred in compliance with the Reimbursement Agreement, the CP Order, the Issuing and Paying Agency Agreement, OWRB Loan Agreements, and the General Bond Indenture. Notwithstanding the foregoing or anything in any Related Document to the contrary, OCWUT will issue no additional Indebtedness which is to be secured by or payable from all or any portion of the Revenues, other Pledged Security or any other Collateral while any Unreimbursed Drawing or Advance is outstanding unless all outstanding Unreimbursed Drawings and Advances are to be paid in full from the proceeds of such additional Indebtedness.

(c) At no time shall OCWUT permit the sum of (A) the aggregate principal amount of Notes Outstanding, and (B) the principal amount of any outstanding Advances, to exceed the principal component of the Stated Amount.

(d) Upon the occurrence and during the continuation of any Default or Event of Default, OCWUT shall not approve or make any Administrative Payments to the City (including pursuant to Section 5.05(4) of the General Bond Indenture) which are not directly or indirectly related to the operation, maintenance and administration of System. Without limiting the generality of the foregoing, upon the occurrence and during the continuation of any Default or Event of Default, OCWUT may only approve or make any Administrative Payments to the City which are indirectly related to the operation, maintenance and administration of System ("*Indirect Administrative Payments*") if such Indirect Administrative Payments do not, in the aggregate, exceed \$1,000,000 in a fiscal year. Notwithstanding the foregoing, no requirement in the

Reimbursement Agreement shall be construed to limit the amount of Administrative Payments which are directly related to the operation, maintenance and administration of the System and no requirement in the Reimbursement Agreement may adversely affect (i) the water, wastewater and solid waste operations of OCWUT, (ii) any obligation of OCWUT under the General Bond Indenture, or (iii) any lien in favor of First Tier Debt, Second Tier Debt or Third Tier Debt.

Lien Position. OCWUT shall not take any action that would result in the Payment Obligations not ranking at least *pari passu* with all other Third Tier Debt in right of payment and security from the Gross Revenues, other Pledged Security and other Collateral. OCWUT shall not, directly or indirectly, incur, create or permit to exist any Lien on all or any portion of the Revenues, any other Pledged Security or any other Collateral that would affect the priority of Liens in existence or contemplated on the Effective Date or adversely impact any Liens on the Gross Revenues, any other Pledged Security or any other Collateral in favor of SMBC. Notwithstanding anything in the CP Order, the Issuing and Paying Agency Agreement, the General Bond Indenture or any other Related Document to the contrary, OCWUT shall not permit the creation of any Liens on Gross Revenues, any other Pledged Security or any other Collateral that is in any way senior to the Liens in favor of SMBC and/or Third Tier Debt. This provision shall not prohibit the issuance of additional Indebtedness, so long as the Indebtedness is issued strictly in accordance with the Reimbursement Agreement as well as the CP Order, General Bond Indenture, OWRB Loan Agreements, and all other Related Documents.

Alternate Credit Facility. OCWUT has covenanted under the Reimbursement Agreement to use all commercially reasonable efforts to obtain an Alternate Credit Facility to replace the Reimbursement Agreement and the Letter of Credit in the event that (A) OCWUT shall decide not to extend the Letter of Credit Expiration Date, (B) the Letter of Credit shall terminate in accordance with its terms, or (C) OCWUT directs the Issuing and Paying Agent to cease issuing Notes or delivers a Final Drawing Notice following the occurrence of an Event of Default. OCWUT agreed under the Reimbursement Agreement that any Alternate Credit Facility will require, as a condition to the effectiveness of the Alternate Credit Facility, that the issuer of the Alternate Credit Facility will provide funds to the extent necessary, in addition to other funds available, on the date the Alternate Credit Facility becomes effective, for the payment of all outstanding Unreimbursed Drawings and Advances at par plus all accrued interest thereon at the Bank Rate or Default Rate, as applicable, through the date such Alternate Credit Facility becomes effective. On such date, any and all amounts due under the Reimbursement Agreement to SMBC shall be payable in full to SMBC.

Maturity of Notes. (a) OCWUT will use its best efforts to not permit the Issuing and Paying Agent to issue, or to not permit any Dealer to market, any Notes with a maturity shorter than two (2) days from their date of issuance, unless OCWUT or the applicable Dealer has provided three (3) Business Days prior written notice to SMBC with a copy to the Issuing and Paying Agent; *provided, however*, that no written notice will be required to be provided to SMBC by OCWUT or the applicable Dealer in the event that (x) the Notes are issued with a maturity of one (1) day and the applicable Dealer for such Notes is the registered holder of all such Notes or (y) the applicable Dealer is unable to market Notes up to the Maximum Rate (as defined in the Issuing and Paying Agency Agreement). However, failure to comply with this section of the

Reimbursement Agreement shall not result in an Event of Default under the Reimbursement Agreement.

In addition to the above, in connection with the execution and delivery of the Reimbursement Agreement, OCWUT has made an extensive number of representations and warranties to SMBC and will covenant to take or do, and to refrain from taking or doing, certain actions.

Events of Default

The occurrence and continuance of one or more of the following events shall constitute an “*Event of Default*”:

(a) OCWUT fails to pay, or cause to be paid, when due any Payment Obligation, including, but not limited to any principal of or interest on any Unreimbursed Drawing or Advance as and when due; or

(b) Any representation, warranty, certification or statement made by OCWUT in the Reimbursement Agreement or in any Related Document or in any certificate, financial statement or other document delivered pursuant to the Reimbursement Agreement or any Related Document shall (in any such case) have been incorrect or untrue in any materially adverse respect when made or deemed to have been made; or

(c)(i) OCWUT fails to perform or observe certain terms, covenants, conditions subsequent or agreements contained in the Reimbursement Agreement or (ii) OCWUT fails to perform or observe any other term, covenant or agreement contained in the Reimbursement Agreement or the Fee Letter (other than as set forth in any other Event of Default hereunder), and such failure shall remain unremedied for a period of thirty (30) days after SMBC shall have given OCWUT written notice of such default; *provided that* so long as OCWUT shall be proceeding with due diligence to remedy any default in the due performance or observance of such covenants which, if begun and prosecuted with due diligence, cannot be completed within a period of thirty (30) days, then such 30-day period shall be extended an additional thirty (30) days to the extent as shall be necessary to enable OCWUT to begin and complete the remedying of such default through the exercise of due diligence; *provided that* if such default is not remedied within sixty (60) days after SMBC shall have given OCWUT written notice of such default it shall constitute an Event of Default; or

(d) OCWUT shall (i) have entered involuntarily against it an order for relief under the United States Bankruptcy Code, as amended, (ii) become insolvent or shall not pay, or be unable to pay, or admit in writing its inability to pay, its debts generally as they become due, (iii) make an assignment for the benefit of creditors, (iv) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of its Property or the System, (v) institute any proceeding seeking to have entered against it an order for relief under the United States Bankruptcy Code, as amended, to adjudicate

it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, marshalling of assets, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (vi) take any corporate action in furtherance of any matter described in parts (i) through (v) above, or (vii) fail to contest in good faith any appointment or proceeding described in the Reimbursement Agreement; or

(e) A custodian, receiver, trustee, examiner, liquidator or similar official shall be appointed for OCWUT, the System or any substantial part of its Property, or a proceeding described in subsection (d)(v) above shall be instituted against OCWUT and such proceeding continues undischarged or any such proceeding continues undismissed or unstayed for a period of sixty (60) or more days; or

(f) A debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed on the repayment when due and payable of the principal of or interest on any Indebtedness of OCWUT by OCWUT or any Governmental Authority with appropriate jurisdiction over OCWUT or the System; or

(g) Any material provision of any of the Related Documents shall cease to be valid and binding, or OCWUT or any Governmental Authority with appropriate jurisdiction over OCWUT or the System shall contest any such provision or OCWUT or any agent or trustee on behalf of OCWUT, shall deny that it has any or further liability under any of the Related Documents; or

(h) Dissolution or termination of the existence of OCWUT or the System; or

(i) (i) OCWUT shall fail to pay when due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) principal or interest with respect to Secured Debt, and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning such Secured Debt, or (ii) or any other default under any indenture, contract or instrument providing for the creation of or concerning such Secured Debt or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such Secured Debt; or pursuant to the provisions of any such indenture, contract or instrument the maturity of any Secured Debt of OCWUT shall have been or may be accelerated or shall have been or may be required to be prepaid prior to the stated maturity thereof (or, with respect to any Swap Contract, which results in such Swap Contract being terminated early or being capable of being terminated early); or

(j) One or more final, non-appealable judgments, court orders, writs or warrants of attachment or of any similar process for the payment of money in the amount of \$5,000,000 or more shall be rendered against OCWUT, and such judgment or court order shall continue unsatisfied and in effect for a period of one hundred twenty (120) consecutive days without being vacated, discharged, satisfied, or stayed; or

(k) Any “event of default” under any Related Document (as defined respectively therein) shall have occurred and the same shall not have been cured within any applicable cure period; or

(l) (i) The long term, unenhanced debt rating assigned to any OCWUT Senior Bonds shall be withdrawn or suspended for credit-related reasons, or (ii) the long term, unenhanced debt rating assigned to any OCWUT Senior Bonds shall be lowered below “Baa1” (or its equivalent) by Moody’s or “BBB+” (or its equivalent) by S&P or “BBB+” (or its equivalent) by Fitch, if applicable; or

(m) The Act is repealed, reenacted, amended or otherwise modified (whether directly or indirectly, and including, without limitation, by legislative or judicial action) or any other legislation is enacted, repealed, reenacted, amended or otherwise modified, and in the event of a release, reenactment, amendment, modification or enactment, such repeal, reenactment, amendment, modification or enactment, in the sole opinion of SMBC, has a material adverse effect on the System, any Revenues, any other Pledged Security or any other Collateral or the ability of OCWUT to pay the obligations and principal and interest on the Notes or the Bank Note or OCWUT’s ability to pay when due the Payment Obligations or the rights and remedies of SMBC; or

(n) The Gross Revenues, any other Pledged Security or any other Collateral shall not be subject to a Lien and security interest in favor of the Bank Note, the Payment Obligations and SMBC as described in the Reimbursement Agreement; or the Lien on Gross Revenues, any other Pledged Security or any other Collateral in favor of the Bank Note, the Payment Obligations and SMBC shall be further or more deeply subordinated to payments to Senior Lien Bonds, other obligations or any deposits or payments required under the General Bond Indenture in any manner other than as described in the Reimbursement Agreement.

Remedies

Upon the occurrence of an Event of Default under the Reimbursement Agreement, SMBC may take any or all of the following actions:

(a) By notice to OCWUT, declare all Unreimbursed Drawings, Advances, the Bank Note and interest thereon, immediately due and payable, whereupon the same shall become immediately due and payable (*provided* that, if an Event of Default specified in subsections (d), (e) or (f) above shall occur, such declaration shall occur automatically without the giving of any such notice); and/or

(b) By written notice to the Issuing and Paying Agent in the form of Annex G to the Letter of Credit (which notice shall constitute a “Stop Order” for purposes of the CP Order and Issuing and Paying Agency Agreement) prohibit, until such time, if any, as SMBC shall withdraw (in writing) such notice, the issuance of additional Notes, reduce the Stated Amount of the Letter of Credit to the amount of the then Outstanding Notes supported by the Letter of Credit and interest payable thereon at maturity of such Notes and/or terminate the Stated Amount as the then Outstanding Notes are paid; and/or

(c) By written notice to the Issuing and Paying Agent, issue a Final Drawing Notice (the effect of which shall be to cause the Termination Date of the Letter of Credit to occur on the 15th

day after the date of receipt thereof by the Issuing and Paying Agent) in substantially the form attached to the Letter of Credit; and/or

(d) Petition a court of competent jurisdiction to issue a mandamus order to OCWUT to compel specific performance of the covenants of OCWUT contained in any of the Related Documents; and/or

(e) Give written notice of the occurrence of an Event of Default to OCWUT and the Issuing and Paying Agent and exercise any rights and remedies available to SMBC at law, equity or under any Related Document.

Upon the occurrence and during the continuance of any Event of Default, the Bank Note, all Unreimbursed Drawings and Advances and all other Payment Obligations shall bear interest at the Default Rate.