

## SALES TAX AGREEMENT

**THIS AGREEMENT** is made and entered into and effective as of the 1st day of December, 2025, by and between the **MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY**, an Oklahoma public trust (hereinafter called the "**Authority**"), created pursuant to the laws of the State of Oklahoma (particularly, but not exclusively, Title 60, Oklahoma Statutes 2021, Sections 176 to 180.3, inclusive, and the Oklahoma Trust Act), and the **BOARD OF COUNTY COMMISSIONERS OF MUSKOGEE COUNTY, OKLAHOMA** (hereinafter called the "**County**").

### WITNESSETH:

**WHEREAS**, the Authority was created by a Declaration of Trust dated as of November 15, 2024, (the "Declaration of Indenture"), for the use and benefit of Muskogee County, Oklahoma (the "County"), and the City of Muskogee, Oklahoma (the "City") under authority of and pursuant to the provisions of Title 60, Oklahoma Statutes 2021, Section 176 to 180.3, inclusive, as amended and supplemented, and other applicable statutes of the State of Oklahoma; and

**WHEREAS**, the County, pursuant to Resolution adopted October 15, 2024 (the "Resolution"), which was approved by the qualified electors of Muskogee County at an election held for that purpose on January 14<sup>th</sup>, 2025, is levying a sales tax of Eight Hundred Forty Nine Thousandths of one percent (.849%) in accordance with Title 68, Oklahoma Statutes 2021, Section 1370, as amended (the "Sales Tax"), to provide funds for the purpose of the acquisition of sites and the construction, erecting, furnishing, equipping, operating, maintaining, remodeling and repairing of public safety buildings and facilities and operating public safety programs, operations and purposes, including police, fire, emergency management, 911, sheriff, ambulance and other public safety programs, operations and purposes, and/or to be applied or pledged toward the payment of principal of and interest and redemption premium, if any, on any indebtedness, including refunding indebtedness, incurred by or on behalf of Muskogee County for such purpose; and

**WHEREAS**, the County has determined upon a project consisting of construction, erecting, furnishing, and equipping public safety buildings and facilities as authorized in the resolution authorizing the Sales Tax which costs are estimated not to exceed \$39,435,000.00 ( the "Project"); and

**WHEREAS**, in order to finance the costs and expenses of the Project the Trustees of the Authority have determined to issue their revenue bonds in the aggregate principal amount of not to exceed \$39,435,000.00, (the "Bonds"), pursuant to a Bond Indenture dated as of December 1, 2025 (the "Indenture"), between the Authority and BOKF, National Association (the "Trustee"); and

**WHEREAS**, in order to induce the Authority to issue the Bonds, the County and the Authority will enter into this Sales Tax Agreement (the "Agreement"), relating to the Bonds, wherein the Authority agrees to issue the Bonds and the County agrees to appropriate the Sales Tax to the Authority for payment of debt service on the Bonds subject to the limitations set forth herein; and

**WHEREAS**, all things required to be done to make this Agreement a valid and binding agreement by and between the County and the Authority have been done, happened and performed.

**NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED, THE PARTIES AGREE AS FOLLOWS:**

1. **Issuance of Bonds by the Authority.** The Authority agrees, within a reasonable time after execution of this Agreement, to issue the Bonds.

2. **Sales Tax Payments.** In consideration of the issuance of the Bonds, the County shall deposit in its special sales tax fund each month as received, proceeds derived from the Sales Tax as received from the Oklahoma Tax Commission, and the County agrees, subject to availability and appropriation of funds, to transfer, as received, all proceeds of the Sales Tax to the Trustee on behalf of the Authority for immediate deposit in the Authority's Revenue Fund created under the Indenture (but in no event later than the 10th of such month). Such Sales Tax proceeds shall be used by the Trustee on behalf of the Authority pursuant to the terms and provisions of the Indenture, including specifically for the payment of principal of and interest and redemption premium, if any, on the Bonds when due (whether upon the scheduled due date, upon purchase, or acceleration, or otherwise), which purpose is hereby acknowledged to be consistent with the authorized and proper use of such Sales Tax proceeds.

All such payments referred to in Section 2 herein shall not be subject to set-off or counterclaim by the County and shall be used as set forth in the Indenture and shall be in such amounts as are necessary for the payment when due (whether upon the scheduled due date, upon redemption, purchase, or acceleration, or otherwise) of (a) principal of and interest and redemption premium, if any, on the Bonds coming due at such time and (b) all other amounts due under the Indenture. In any case where the date fixed for any payment from the County to the Trustee on behalf of the Authority shall not be a Business Day (as defined in the Indenture), then such payment may be made on the next succeeding Business Day. In the event that such payments are not deposited in the Authority's Revenue Fund at least ten days prior to the time that payments are due into the Bond Fund, the Trustee on behalf of the Authority shall give written notice of such failure to deposit to the Authority and to the County, and the County will have five calendar days to deposit such funds into the Authority's Revenue Fund. Failure to deposit such funds within such five calendar day period shall constitute an event of default hereunder.

3. **County Not Obligated Beyond Its Fiscal Year.** It is hereby acknowledged that under applicable Oklahoma law, the County may not become obligated beyond its fiscal year (July 1 through June 30) and therefore, the covenants made herein by the County shall be on a year-to-year basis. Payment of the payments as set out herein is subject to availability of funds and annual appropriation thereof by the County. The Bonds issued by the Authority shall in no way be or become an obligation of the County. In connection with any such appropriation, the County covenants to include any such amounts in its budget for such fiscal year and to do all things necessary to lawfully appropriate such funds to the Authority.

4. **No Default; Financial Statements.** The County is not in default in the performance, observance or fulfillment of any material obligation, covenant or condition contained in any material

agreement or instrument to which the County is a party or by which the County or any of its property is bound or in any of the obligations, covenants or conditions contained in this Agreement.

The financial statements of the County as and for the period ended June 30, 2024, supplied to the Authority fairly present the financial status and operating results of the County as of such date and for the period covered thereby and there has not been any material adverse change in the financial condition of the County since such date; and to the best knowledge of the County, do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

The County hereby agrees to supply to the Authority, and any holder of the Bonds who requests the same, the financial statements prepared by the County as and when received by the State Auditor's office and such other financial information of the County as the Authority may from time to time reasonably request.

5. **Third Party Beneficiary Contract.** It is understood and agreed that this Agreement is a third party beneficiary contract for the benefit of the owners of the Bonds and may be pledged and assigned by the Authority as security for the Bonds to be issued pursuant to the Indenture.

6. **Term.** The primary term of this Agreement shall be for a term commencing on the effective date of this Agreement and terminating on June 30, 2026. The County may, at its option, renew this Agreement for successive one (1) year terms commencing on July 1, 2026, and on each successive July 1 thereafter, until payment or provision for payment has been made for all Bonds by taking such official action as may be required by law to effect such renewal on or before July 20 of such year. Each such renewal term shall be upon all of the terms, conditions and provisions herein contained. A copy of the official action effecting each such renewal shall be delivered to the Authority within ten (10) days after the taking thereof.

7. **Notices.** Any notice or other communication required or permitted hereunder shall be sufficiently given if delivered personally or sent by registered or certified mail, postage prepaid, return receipt requested, and addressed as listed below, or to such other address as the party concerned may substitute by written notice to the other:

**If to the Authority:**

Muskogee County Public Safety Authority  
400 W. Broadway  
Muskogee, OK 74402

**If to Muskogee County:**

Muskogee County Board of  
County Commissioners  
400 W. Broadway  
Muskogee, OK 74402

8. **Applicable Law.** It is the intention of the parties that the laws of the State of Oklahoma shall govern the validity of this Agreement, the construction of its terms and interpretation of the rights and duties of the parties.

9. **Amendment of Agreement.** No amendment or modification hereof shall be deemed valid unless first reduced to writing and signed and dated by both parties hereto and unless written consent of the Bondholders has been obtained, if required, as more fully set forth in the Indenture. Fully executed copies of this Agreement shall be deemed for all purposes as duplicate originals.

10. **Partial Invalidity of Agreement.** Should any section, clause or provision of this Agreement be invalid or void for any reason, such invalid or void section, clause or provision shall not affect the whole of this instrument, but the balance of the provisions hereof shall remain in full force and effect.

11. **Section Headings Not Controlling.** The headings of the several sections of this Agreement have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this Agreement.

12. **Binding Agreement.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns. The County hereby acknowledges that this Agreement will be pledged as security to the Trustee for the holders of the Bonds, and the County consents to such pledge.

**IN WITNESS WHEREOF**, this Agreement has been executed and delivered as of the day and year first above written.

**BOARD OF COUNTY COMMISSIONERS  
OF MUSKOGEE COUNTY**

  
\_\_\_\_\_  
Chairman

ATTEST:

  
\_\_\_\_\_  
County Clerk



ATTEST:

\_\_\_\_\_  
Secretary of Trustees

(SEAL)

**MUSKOGEE COUNTY PUBLIC SAFETY  
AUTHORITY,**  
a public trust

  
\_\_\_\_\_  
Chairman of Trustees