

NEW ISSUE

In the opinion of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel to the Bond Bank, under existing law, and assuming continued compliance with various requirements of the Internal Revenue Code of 1986, as amended, interest on the Bonds will not be included in the gross income of holders of such bonds for federal income tax purposes. Interest on the Bonds will not constitute a preference item for purposes of computation of the federal individual alternative minimum tax; however, Bond Counsel observes that interest on the Bonds included in the adjusted financial statement income of certain corporations is not excluded from computation of the federal corporate alternative minimum tax. In the further opinion of Bond Counsel, the Bonds are exempt from State of Vermont personal income taxes and State of Vermont corporate income taxes. See “TAX MATTERS” herein.



\$31,820,000
VERMONT BOND BANK
2024 Series 3 Refunding Bonds

Dated: Date of Delivery

Due: December 1, as shown on the inside cover

The 2024 Series 3 Refunding Bonds (the “Bonds”) of the Vermont Bond Bank (the “Bond Bank”) are issuable only as fully registered bonds without coupons, and, when issued, will be registered in the name of Cede & Co., as the registered Bondholder and nominee for The Depository Trust Company (“DTC”), New York, New York. Purchases of beneficial interests in the Bonds will be made in book-entry-only form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers of beneficial interests will not receive certificates representing their interest in the Bonds. So long as Cede & Co. is the registered Bondholder, as nominee of DTC, references herein to the Bondholders or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See “THE BONDS – Book-Entry-Only System” herein.

Principal of and semiannual interest will be paid, as set forth herein, directly to DTC by U.S. Bank Trust Company, National Association, as Trustee and Paying Agent, so long as DTC or its nominee, Cede & Co., is the registered Bondholder. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participant as more fully described herein. The Bonds are subject to redemption as more fully set forth herein.

The Bonds are direct and general obligations of the Bond Bank payable out of any revenues or funds subject to the provisions of resolutions now or hereafter pledging particular monies, assets or revenues to particular notes or bonds of the Bond Bank as more fully described in this Official Statement. The Bond Bank does not possess any ad valorem taxing powers. The State of Vermont is not obligated to pay the principal of and interest on the Bonds, and neither the faith and credit nor the taxing power of the State of Vermont is pledged to the payment of such principal and interest.

The Bonds are offered when, as and if issued and received by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, Bond Counsel. Certain legal matters will be passed on for the Underwriters by their counsel, Locke Lord LLP, Boston, Massachusetts. Omnicap Group LLC, El Segundo, California, serves as financial advisor to the Bond Bank. It is expected that the Bonds in definitive form will be available for delivery to DTC in New York, New York or its custodial agent on or about September 5, 2024.

Stifel, Nicolaus & Company, Incorporated

Fidelity Capital Markets

Morgan Stanley

Raymond James

August 27, 2024

\$31,820,000
Vermont Bond Bank
2024 Series 3 Refunding Bonds

<u>Maturity</u> <u>(December 1)</u>	<u>Principal</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP[†]</u> <u>Number</u>
2024	\$3,670,000	5.00%	2.85%	924215CE4
2025	4,095,000	5.00	2.57	924215CF1
2026	4,235,000	5.00	2.55	924215CG9
2027	2,100,000	5.00	2.56	924215CH7
2028	2,130,000	5.00	2.55	924215CJ3
2029	2,150,000	5.00	2.55	924215CK0
2030	2,480,000	5.00	2.60	924215CL8
2031	2,510,000	5.00	2.72	924215CM6
2032	2,535,000	5.00	2.83*	924215CN4
2033	2,570,000	5.00	2.88*	924215CP9
2034	2,415,000	5.00	2.94*	924215CQ7
2035	340,000	5.00	3.02*	924215CR5
2036	195,000	5.00	3.08*	924215CS3
2037	195,000	5.00	3.13*	924215CT1
2038	200,000	5.00	3.14*	924215CU8

* Priced to the first optional redemption date, October 1, 2032.

† CUSIP is a registered trademark of the American Bankers Association (“ABA”). CUSIP data herein are provided by CUSIP Global Services, which is managed on behalf of the ABA by FactSet Research Systems, Inc. The CUSIP numbers listed above are being provided solely for the convenience of the Bondholders and the Bank makes no representations with respect to such numbers or undertakes any responsibility for their accuracy. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors, including, but not limited to, the refunding or defeasance of such securities or the use of secondary market financial products.

INTRODUCTION TO THE OFFICIAL STATEMENT

The following is furnished solely to provide limited introductory information regarding the \$31,820,000 Vermont Bond Bank 2024 Series 3 Refunding Bonds (the “Bonds”) and does not purport to be comprehensive. All such information is qualified in its entirety by reference to the more detailed descriptions and definitions of terms appearing elsewhere in this Official Statement, including the appendices hereto. Investors should read the entire Official Statement to obtain information essential to making an informed decision.

Issuer:	Vermont Bond Bank (the “Bond Bank”). For more information, see “VERMONT BOND BANK” in the Incorporated Official Statement (defined below).
Purpose:	The Bonds are being issued and applied with other available funds under the General Resolution: (i) to current refund such portions of the Bond Bank’s outstanding 2014 Series 3 Bonds and 2014 Series 4 Refunding Bonds listed in Appendix C to this Official Statement (the “Refunded Bonds”), (ii) to make a deposit into the Reserve Fund held by the Trustee under the General Resolution, and (iii) to pay costs of issuance of the Bonds.
Incorporated Official Statement:	On August 8, 2024, the Bond Bank issued \$48,480,000 Series 2 Bonds (the “2024 Series 2 Bonds”) to make loans to Governmental Units through the purchase of Municipal Bonds, among other purposes. The Bonds are issued on parity with the 2024 Series 2 Bonds and the other General Resolution Bonds (defined below), as described in the Official Statement for the 2024 Series 2 Bonds dated August 1, 2024 and incorporated herein by reference (the “Incorporated Official Statement”). The Incorporated Official Statement is available at https://emma.msrb.org/P11773922-P11362311-P11799617.pdf .
Security:	The Bonds are general obligations of the Bond Bank and are secured on a parity with other bonds issued and to be issued (collectively, the “General Resolution Bonds”) under the Bond Bank’s General Resolution. The General Resolution Bonds are secured by a pledge of the municipal bonds issued by Governmental Units and purchased by the Bond Bank (“Municipal Bonds”) and the amounts required to be paid by such Governmental Units to the Bond Bank pursuant to loan agreements for principal and interest on the Municipal Bonds (“Municipal Bonds Payments”). The General Resolution Bonds are further secured under the Act by an intercept by the State Treasurer of State funding to any Governmental Units that are in default on their Municipal Bonds Payments. The General Resolution Bonds are further secured by the Reserve Fund. If there is a draw on the Reserve Fund that reduces the amount therein below the Required Debt Service Reserve, the State is legally authorized, but not legally obligated, to appropriate annually the amount required to replenish the Reserve Fund. See “SECURITY FOR THE BONDS” in the Incorporated Official Statement.
Proposed Modifications to the General Resolution:	In the Series Resolution for the Bonds the Bond Bank approved proposed modifications to the General Resolution which will become effective upon consent of the holders of two-thirds of then Outstanding General Resolution Bonds. By purchase of the Bonds, the holders thereof are consenting to such proposed modifications. See “PROPOSED MODIFICATIONS TO THE GENERAL RESOLUTION” in the Incorporated Official Statement.
Redemption Provisions:	The Bonds maturing on and after December 1, 2032 are subject to redemption at the option of the Bond Bank, at any time on and after October 1, 2032, in whole or in part, at par plus accrued interest to the date of redemption. See “THE BONDS – Redemption Provisions.”
Denominations:	The Bonds will be issued in denominations of \$5,000 and integral multiples thereof.
Ratings:	S&P Global Ratings (“S&P”) and Moody’s Investors Service, Inc. (“Moody’s”) have rated the Bonds “AA+”, and “Aa2”, respectively. See “RATINGS.”

Principal Payments:	Annually, each December 1, commencing December 1, 2024.
Interest Payments:	Semi-annually, each June 1 and December 1, commencing December 1, 2024.
Tax Status:	Interest on the Bonds will not be included in the gross income of the holders thereof for federal income tax purposes. The Bonds are exempt from State of Vermont personal income taxes and State of Vermont corporate income taxes. See “TAX MATTERS.”
Professional Consultants to the Bond Bank:	<p><i>Financial Advisor:</i> Omnicap Group LLC El Segundo, California</p> <p><i>Bond Counsel:</i> Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. Boston, Massachusetts</p> <p><i>Trustee/Paying Agent:</i> U.S. Bank Trust Company, National Association Boston, Massachusetts</p>
Registration:	The Bonds initially will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds.
Legal Matters:	All legal matters incident to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel. The opinion will be substantially in the form attached hereto as Appendix A. Certain legal matters will be passed on for the Underwriters by their counsel, Locke Lord LLP.
Authority for Issuance:	The Bonds are being issued pursuant to the Vermont Bond Bank Law, being Public Act No. 216 of the Laws of Vermont of the 1969 Adjourned Session of the Vermont General Assembly, as amended (the “Act”), the Bond Bank’s General Bond Resolution adopted on May 3, 1988 (the “General Resolution”) and the Series Resolution authorizing the issuance of the 2024 Series 3 Refunding Bonds (the “Series Resolution”), adopted June 27, 2024.
Conditions Affecting Issuance:	The Bonds are offered when, as and if issued, subject to the approving legal opinion of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel, and subject to the other conditions contained in the Contract of Purchase between the Bond Bank and Stifel, Nicolaus & Company, Incorporated, on behalf of itself and the other underwriters listed therein (together, the “Underwriters”).
Delivery:	The Bonds are expected to be issued on or about September 5, 2024.
Book-Entry-Only:	The Bonds will be issued as book-entry-only securities through DTC.
Limitations on Offering or Reoffering Securities:	No dealer, broker, salesperson or other person has been authorized to give any information or to make any representation other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Bond Bank. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds offered hereby, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.
No Litigation:	There is no litigation of any nature now pending, or to the knowledge of the Bond Bank, threatened, restraining or enjoining the issuance, sale, execution or delivery of the Bonds. See “LITIGATION AND OTHER PROCEEDINGS.”
Continuing Disclosure:	The Bond Bank will undertake to provide continuing disclosure with respect to the Bonds. See “CONTINUING DISCLOSURE.”

Investment Considerations: See “CERTAIN INVESTMENT CONSIDERATIONS” in the Incorporated Official Statement.

Questions regarding the Bonds or the Official Statement can be directed to, and additional copies of the Official Statement, the Bond Bank’s audited financial reports and the Resolution may be obtained from the Bond Bank’s financial advisor, Omnicap Group LLC: (310) 318-3095.

PARITY DEBT SUMMARY

The summary data in the table below is furnished solely as a summary and does not purport to be comprehensive. All such data is subject in all respects to more detailed descriptions contained elsewhere in this Official Statement. Investors should read the entire Official Statement and the Incorporated Official Statement to obtain information essential to making an informed decision. See “OUTSTANDING GENERAL OBLIGATION BONDS” in the Incorporated Official Statement.

Outstanding General Obligation Bonds as of August 10, 2024

General Resolution Bonds	\$660,971,000
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As described under “VERMONT BOND BANK – Other Financing Programs and Indebtedness” in the Incorporated Official Statement, the Bond Bank has outstanding or expects to issue indebtedness payable from different funds and assets than, and not on parity with, the Bonds and the other General Resolution Bonds.

The information set forth or incorporated by reference herein has been obtained from the Bond Bank and other sources which are believed to be reliable, but information from other than the Bond Bank is not to be construed as a representation by the Bond Bank. The information and expressions of opinion contain or incorporated by reference herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Bond Bank since the date hereof, except as expressly set forth herein. The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information contained or incorporated by reference in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. No dealer, broker, salesperson or other person has been authorized to give any information or to make any representation other than those contained or incorporated by reference in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Bond Bank.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds offered hereby, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. All quotations from and summaries and explanations of provisions of laws, resolutions, the Bonds and other documents contained or incorporated by reference herein do not purport to be complete; reference is made to said laws, resolutions, the Bonds and other documents for full and complete statements of their provisions. Copies of the above are available for inspection at the principal office of the Bond Bank. In connection with this offering, the Underwriters may over allot or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and certain dealer banks and banks acting as agents at prices lower or yields higher than the public offering prices or yields stated on the inside cover page hereof and said offering prices or yields may be changed from time to time by the Underwriters.

If and when included or incorporated by reference in this Official Statement, the words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates” and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances, many of which are beyond the control of the Bond Bank. These forward-looking statements speak only as of the date of this Official Statement and are subject to change without notice. The Bond Bank disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Bond Bank’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to the date hereof.

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\$31,820,000
Vermont Bond Bank
2024 Series 3 Refunding Bonds

INTRODUCTORY STATEMENT

This Official Statement is provided for the purpose of setting forth information concerning the Vermont Bond Bank (the “Bond Bank”) in connection with the sale of the 2024 Series 3 Refunding Bonds (the “Bonds”). The Bonds are issued pursuant to the Vermont Bond Bank Law, being Public Act No. 216 of the Laws of Vermont of the 1969 Adjourned Session of the Vermont General Assembly, as amended (the “Act”).

The Bonds are to be issued under and are to be secured by the Bond Bank’s General Bond Resolution adopted on May 3, 1988 (the “General Resolution”) and the Series Resolution authorizing the issuance of the 2024 Series 3 Refunding Bonds adopted on June 27, 2024 (the “Series Resolution” and collectively with the General Resolution, the “Resolution”).

The Bond Bank is a body corporate and politic with corporate succession, and is constituted as an instrumentality exercising public and essential governmental functions of the State of Vermont (the “State”).

Pursuant to the Act, the Bond Bank is authorized to issue bonds for, among other purposes, (1) providing funds to enable the Bond Bank to make loans to counties, municipalities or other public bodies of the State, including public school districts (the “Governmental Units”), (2) refunding bonds previously issued by the Bond Bank, and (3) establishing or increasing reserves with which to secure or to pay debt service and all other costs and expenses of the Bond Bank incident to and necessary or convenient to carry out its corporate purposes.

On June 19, 2023, the Act was amended to change the legal name of the Bond Bank to the Vermont Bond Bank, which had previously been named the Vermont Municipal Bond Bank. The amendments also modified certain of the Bond Bank’s powers. See “VERMONT BOND BANK” in the Incorporated Official Statement (defined below).

Incorporated Official Statement. On August 8, 2024, the Bond Bank issued \$48,480,000 Series 2 Bonds (the “2024 Series 2 Bonds”) to make loans to Governmental Units through the purchase of Municipal Bonds, among other purposes. The Bonds are issued on parity with the 2024 Series 2 Bonds and the other General Resolution Bonds (defined below), as described in the Official Statement for the 2024 Series 2 Bonds dated August 1, 2024 and incorporated herein by reference (the “Incorporated Official Statement”). The Incorporated Official Statement is available at <https://emma.msrb.org/P11773922-P11362311-P11799617.pdf>.

The Bonds. The Bonds are being issued and applied with other available funds under the General Resolution: (i) to current refund such portions of the Bond Bank’s outstanding 2014 Series 3 Bonds and 2014 Series 4 Refunding Bonds listed in Appendix C to this Official Statement (the “Refunded Bonds”), (ii) to make a deposit into the Reserve Fund held by the Trustee under the General Resolution, and (iii) to pay costs of issuance of the Bonds. See “SOURCES AND USES OF FUNDS” and Appendix C herein and Appendix B of the Incorporated Official Statement.

Security for the Bonds. The Bonds will constitute general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged for the payment of principal, redemption premium, if any, and interest thereon. The Bonds and other bonds issued or Outstanding on a parity therewith under the General Resolution (collectively, the “General Resolution Bonds”) are further secured by the pledge of the

Municipal Bonds and the amounts paid by the Governmental Units or required to be paid by the Governmental Units to the Bond Bank pursuant to the Loan Agreements for principal and interest on the Municipal Bonds (the “Municipal Bonds Payments”) and the investments thereof and the proceeds of such investments, if any, and all funds and accounts established by the General Resolution, except the Rebate Fund. See “SECURITY FOR THE BONDS” in the Incorporated Official Statement. In the Series Resolution for the Bonds the Bond Bank approved proposed modifications to the General Resolution which will become effective upon consent of the holders of two-thirds of then Outstanding General Resolution Bonds. By purchase of the Bonds, the holders thereof are consenting to such proposed modifications. See “PROPOSED MODIFICATIONS TO THE GENERAL RESOLUTION” in the Incorporated Official Statement. Upon the issuance of the Bonds, approximately 37.97% of the owners of the General Resolution Bonds will have consented to the proposed modifications.

Pursuant to the Act, the State Treasurer may intercept State funding to Governmental Units that are in default on their Municipal Bonds Payments to the Bond Bank. The Loan Agreements provide that Municipal Bonds Payments are due to the Bond Bank on the first day of the month prior to the principal and interest payment dates on the General Resolution Bonds. Accordingly, the intercept by the State Treasurer is scheduled to occur prior to the principal and interest payment dates on the General Resolution Bonds. See “SECURITY FOR THE BONDS – Intercept of State Funds and Other Enforcement of Municipal Bonds” in the Incorporated Official Statement.

The General Resolution Bonds are further secured by the Vermont Bond Bank Revenue Bond Reserve Fund (the “Reserve Fund”). The Reserve Fund is funded in an amount equal to the least of (i) maximum annual debt service coming due in any year on each series of General Resolution Bonds, (ii) 125% of average annual debt service on each series of General Resolution Bonds or (iii) 10% of the proceeds of each series of General Resolution Bonds (the “Required Debt Service Reserve”). Moneys in the Reserve Fund are applied to the payment of the interest on and principal of General Resolution Bonds, as they become due and payable, to the extent other monies of the Bond Bank, including without limitation, Municipal Bonds Payments and intercepted State funding, if any, are not then available. The Act provides that any draw on the Reserve Fund shall be replenished by appropriation of the General Assembly of the State. While the General Resolution Bonds and the replenishment obligation do not constitute a legally enforceable obligation of the State or create a debt on behalf of the State, Bond Counsel is of the opinion that the State, by its General Assembly, is legally authorized, but not legally obligated, to appropriate annually such sum to restore the Reserve Fund, all to the extent described under “SECURITY FOR THE BONDS – Reserve Fund” in the Incorporated Official Statement.

All General Resolution Bonds, notwithstanding their date of issuance, are secured equally and ratably by all of the above. Additional series of General Resolution Bonds may be authorized and issued by the Bond Bank pursuant to the General Resolution on a parity with the Bonds. The Bond Bank has issued \$2,574,542,000 in aggregate principal amount of General Resolution Bonds (including General Resolution Bonds issued to refund other General Resolution Bonds). For more information regarding parity General Resolution Bonds, see “OUTSTANDING BONDS” in the Incorporated Official Statement. The Bond Bank has not defaulted on its payments of General Resolution Bonds.

The Bond Bank is obligated to pay the principal of and interest on General Resolution Bonds only from pledged revenues or funds of the Bond Bank, and the State is not obligated to pay the principal of or interest thereon and neither the faith and credit nor the taxing power of the State is pledged to the payment of the principal of or interest on General Resolution Bonds.

For information about the State, including a general description of the State’s economy, reference is made to the State’s most recent official statement or information statement. Copies of such official statement or information statement as well as the State’s most recent Annual Financial Report may be obtained upon written request from the office of the State Treasurer, 109 State Street, Montpelier, Vermont 05601-0564.

No representation or warranty is made hereby, as to the timeliness or accuracy of the information contained in any such statements or reports.

Official Statement. There follows in this Official Statement a brief description of the Bond Bank together with summaries of the terms of the Bonds, the Resolution and certain provisions of the Act. All references herein to the Act and the Resolution are qualified in their entirety by reference to such law and such documents, copies of which are available from the Bond Bank, and all references to the Bonds are qualified in their entirety by reference to the definitive forms thereof and the information with respect thereto contained in the Resolution. Terms not otherwise defined herein shall have the meanings given such terms in Appendix A to the Incorporated Official Statement and the Resolution.

THE BONDS

Description

The Bonds shall be dated their date of delivery, shall mature on December 1 in the years and principal amounts, and shall bear interest at the rates per annum, set forth on the inside cover page of this Official Statement.

The Bonds shall bear interest from their date, payable semi-annually on June 1 and December 1 of each year, commencing December 1, 2024. The Bonds initially will be issued as one fully registered bond for each maturity in the aggregate principal amount for such maturity as set forth on the inside cover page of this Official Statement in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York (“DTC”). Beneficial ownership in the Bonds may be acquired or transferred only through book-entries made on the records of DTC and its participants in the principal amount of \$5,000 or integral multiples thereof. The principal of and interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, as Trustee and paying agent (the “Paying Agent”). As long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, such payments will be made directly to Cede & Co. Interest on any Bond which is payable and is punctually paid or provided for on any interest payment date will be paid to the registered owner at the close of business on the May 15 and November 15 next preceding such interest payment date (the “Record Date”).

Book-Entry-Only System

Unless otherwise noted, portions of the description which follows of the procedures and record-keeping with respect to beneficial ownership interests in the Bonds, payment of interest and other payments on the Bonds to DTC Participants or Beneficial Owners (defined below) of the Bonds, confirmation and transfer of beneficial ownership interests in the Bonds and other bond-related transactions by and between DTC, the DTC Participants and Beneficial Owners of the Bonds is based solely on information furnished by DTC to the Bond Bank for inclusion in this Official Statement. Accordingly, the Bond Bank, the Governmental Units and the Underwriters do not and cannot make any representations concerning these matters.

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of 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 3.6 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 rating of AA+ from S&P Global Ratings. 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 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (each a “Beneficial Owner” and together the “Beneficial Owners”) 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. Beneficial Owners are, however, 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 Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all of the Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect 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 Bonds within a maturity 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. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s Money Market Instrument Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Bond Bank 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

The principal of and interest and premium, if any, on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Bond Bank or Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with municipal 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 Trustee, or the Bond Bank, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of the principal of and interest and premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Bank or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

The Bond Bank may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In such event, Bond certificates will be printed and delivered.

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY-ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE BOND BANK BELIEVES TO BE RELIABLE, BUT THE BOND BANK TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

Redemption Provisions

The Bonds maturing on and after December 1, 2032 are subject to redemption at the option of the Bond Bank, at any time on and after October 1, 2032, either as a whole, or in part (and by lot if less than all of a maturity is to be redeemed), from the maturities designated by the Bond Bank at a Redemption Price of par plus accrued interest to the date of redemption.

Notice of such redemption shall be mailed not less than thirty (30) days before the redemption date to the registered owners of any Bonds or portions thereof to be redeemed. Notice of redemption having been given, as aforesaid, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date and from and after such redemption date, interest on such Bonds shall cease to accrue and become payable.

Exchange and Transfer

The Resolution provides that Bonds, upon surrender thereof at the corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same series and maturity of any other authorized denominations.

The Bonds shall be transferable only upon the books of the Bond Bank, which shall be kept for the purpose at the corporate trust office of the Trustee, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any Bond the Bond Bank shall issue in the name of the transferee a new registered Bond or Bonds of the same aggregate principal amount and maturity as the surrendered Bond.

In all cases in which the privilege of exchanging bonds or transferring registered bonds is exercised, the Bond Bank shall execute and the Trustee shall deliver bonds in accordance with the provisions of the General Resolution. The Bonds are interchangeable for bonds of like series at the office of the Trustee upon the payment of a charge sufficient to reimburse it for any tax, fee or any other governmental charge required to be paid. The cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Bank or the Trustee incurred in connection therewith (except any applicable tax, fee or other governmental charge) shall be paid by the Bond Bank as an Administrative Expense. See, however, "Book-Entry-Only System" herein for a description of the exchange and transfer provisions applicable to beneficial ownership interests in the Bonds.

SOURCES AND USES OF FUNDS

The proceeds of sale of the Bonds and other available funds are expected to be used and applied as set forth below, rounded to the nearest dollar.

Sources of Funds:	
Principal amount	\$31,820,000
Original Issue Premium	2,966,493
Transfer from Prior Reserve Funds	<u>2,791,385</u>
TOTAL SOURCES	\$37,577,878
Uses of Funds:	
Deposit to Escrow Fund for the Refunded Bonds	\$33,931,261
Deposit to the Reserve Fund	3,478,649
Costs of Issuance (including Underwriters' Discount)	<u>167,968</u>
TOTAL USES	\$37,577,878

In accordance with the provisions of the Act and the Resolution, the funds on deposit in the Reserve Fund at the time of issuance of the Bonds will be at least equal to the Required Debt Service Reserve.

REFUNDING OF THE REFUNDED BONDS

In order to refund the Refunded Bonds, a portion of the proceeds of the Bonds will be deposited in the Escrow Fund to be held by U.S. Bank Trust Company, National Association, as escrow agent (the “Escrow Agent”) under an Escrow Agreement dated September 5, 2024 between the Bond Bank and the Escrow Agent. Amounts held in the Escrow Fund will be applied to the purchase of direct obligations of the United States of America (the “Government Obligations”) bearing interest and maturing at times sufficient, together with a cash balance, to redeem in full the Refunded Bonds on December 1, 2024, including accrued interest to the redemption date. None of the amounts in the Escrow Fund are available to pay debt service on the Bonds. The refunding of the Refunded Bonds is conditioned upon the issuance of the Bonds.

The arithmetical accuracy of certain computations included in the schedules provided by the Representative on behalf of the Bond Bank relating to computation of anticipated receipts of principal and interest on Government Obligations and the anticipated payments of principal and interest to redeem the Refunded Bonds, was verified by Omnicap Group LLC. Such computations were based solely upon information supplied by the Underwriters on behalf of the Bond Bank.

TAX MATTERS

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel to the Bond Bank (“Bond Counsel”), is of the opinion that, under existing law, interest on the Bonds will not be included in the gross income of holders of the Bonds for federal income tax purposes. Bond Counsel’s opinion is expressly conditioned upon continued compliance with certain requirements imposed by the Internal Revenue Code of 1986, as amended (the “Code”), which requirements must be satisfied subsequent to the date of issuance of the Bonds in order to ensure that the interest on the Bonds is and continues to be excludable from the gross income of the holders of such Bonds for federal income tax purposes. Failure to comply with certain of such requirements could cause interest on the Bonds to be included in the gross income of holders of such Bonds retroactive to the respective date of issuance of the Bonds. In particular, and without limitation, these requirements include restrictions on the use, expenditure and investment of Bond proceeds and the payment of rebate, or penalties in lieu of rebate, to the United States, subject to certain exceptions. The Bond Bank has provided covenants and certificates as to continued compliance with such requirements.

In the opinion of Bond Counsel, under existing law, interest on the Bonds is not a specific preference item for purposes of computation of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Bonds included in the adjusted financial statement income of certain corporations is not excluded from computation of the federal corporate alternative minimum tax. Bond Counsel has not opined as to any other matters of federal tax law relating to the Bonds. However, prospective purchasers should be aware that certain collateral consequences may result under federal tax law for certain holders of the Bonds. The nature and extent of these consequences depends on the particular tax status of the holder and the holder’s other items of income or deduction. Holders should consult their own tax advisors with respect to such matters.

Interest paid on tax-exempt obligations such as the Bonds is generally required to be reported by payors to the Internal Revenue Service (“IRS”) and to recipients in the same manner as interest on taxable obligations. In addition, such interest may be subject to “backup withholding” if the Bond holder fails to provide the information required on IRS Form W-9, Request for Taxpayer Identification Number and Certification, or the IRS has specifically identified the Bond holder as being subject to backup withholding because of prior underreporting. Neither the information reporting requirement nor the backup withholding requirement affects the excludability of interest on the Bonds from gross income for federal tax purposes.

Interest on the Bonds includes any original issue discount, which with respect to a Bond, is equal to the excess, if any, of the stated redemption price at maturity of such Bond over the initial offering price

thereof to the public, excluding underwriters and other intermediaries, at which price a substantial amount of all such Bonds with the same series and maturity was sold. Original issue discount accrues based on a constant yield method over the term of a Bond. Holders should consult their own tax advisors with respect to the computations of original issue discount during the period in which any such Bond is held.

An amount equal to the excess, if any, of the purchase price of a Bond over the principal amount payable at maturity constitutes amortizable bond premium. The required amortization of such premium during the term of a Bond will result in reduction of the holder's tax basis in such Bond. Such amortization also will result in reduction of the amount of the stated interest on the Bond taken into account as interest for tax purposes. Holders of Bonds purchased at a premium should consult their own tax advisors with respect to the determination and treatment of such premium for federal income tax purposes and with respect to the State or local tax consequences of owning such Bonds.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the Bonds, including legislation, court decisions, or administrative actions, whether at the federal or state level, may affect the tax exempt status of interest on the Bonds or the tax consequences of ownership of the Bonds. No assurance can be given that future legislation, if enacted into law, will not contain provisions which could directly or indirectly reduce or eliminate the benefit of the exclusion of the interest on the Bonds from gross income for federal income tax purposes or any state tax benefit. Tax reform proposals and deficit reduction measures, including but not limited to proposals to reduce the benefit of the interest exclusion from income for certain holders of tax-exempt bonds, including bonds issued prior to the proposed effective date of the applicable legislation, and other proposals to limit federal tax expenditures, have been and are expected to be under ongoing consideration by the United States Congress. These proposed changes could affect the market value or marketability of the Bonds, and, if enacted into law, could also affect the tax treatment of all or a portion of the interest on the Bonds for some or all holders. Holders should consult their own tax advisors with respect to any of the foregoing tax consequences.

In the opinion of Bond Counsel, under existing law, interest on the Bonds is exempt from State of Vermont personal income taxes and State of Vermont corporate income taxes. Bond Counsel has not opined as to the taxability of the Bonds and the interest thereon under the laws of any state other than Vermont.

LITIGATION AND OTHER PROCEEDINGS

There is no controversy or litigation of any nature now pending, or to the knowledge of the Bond Bank, threatened, restraining or enjoining the issuance, sale, execution or delivery of the Bonds or any proceeding of the Bond Bank taken with respect to the issuance or sale thereof, or the pledge or application of any monies or security provided for the payment of the Bonds or the existence or powers of the Bond Bank.

APPROVAL OF LEGALITY

All legal matters incident to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel. The opinion will be substantially in the form attached hereto as Appendix A.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with paragraph (b)(5) of Rule 15c2-12 of the Securities and Exchange Commission, the Bond Bank will undertake to provide annual reports and notice of certain events with respect to the Bond Bank and any Obligated Person by filing with the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access (EMMA) system. See the description of this undertaking set forth in Appendix B attached hereto.

FINANCIAL ADVISOR

Omnicap Group LLC, El Segundo, California serves as financial advisor to the Bond Bank. The financial advisor is a municipal advisor registered with the Securities and Exchange Commission and the MSRB, is an independent advisory firm, and is not engaged in the business of underwriting, trading or distribution of municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds. The financial advisor has not been engaged, nor has it undertaken, to make an independent verification or assume responsibility for the accuracy, completeness, or fairness of the information contained herein.

FINANCIAL STATEMENTS

The financial statements of the Bond Bank for the fiscal year ended December 31, 2023 have been examined by CliftonLarson Allen LLP independent public accountants, as indicated in their report with respect thereto, and are included in Appendix D to the Incorporated Official Statement. CliftonLarson Allen LLP has not been engaged to perform and has not performed, since the date of its report referenced therein, any procedures on the financial statements addressed in that report. They also have not performed any procedures relating to this Official Statement or the Incorporated Official Statement.

UNDERWRITING

The Bonds are being purchased by the underwriters, for whom Stifel, Nicolaus & Company, Incorporated is acting as representative, at an aggregate purchase price of \$34,688,032.48 (consisting of the aggregate par amount of the Bonds, less an underwriters' discount in the amount of \$98,460.07, plus original issue premium of \$2,966,492.55). The Contract of Purchase for the Bonds provides that the Underwriters will purchase all of the Bonds if any are purchased. The obligations of the Underwriters are subject to certain terms and conditions set forth in the Contract of Purchase. The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into unit investment trusts) and others at prices lower than the public offering prices stated on the inside cover page hereof. The initial public offering prices may be changed from time to time by the Underwriters.

The Underwriters and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. The Underwriters and their affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Issuer for which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the County. The Underwriters and their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend.

Morgan Stanley, parent company of Morgan Stanley & Co. LLC, an underwriter of the Bonds, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds.

RATINGS

S&P Global Ratings (“S&P”), 55 Water Street, New York, New York, and Moody’s Investors Service, Inc. (“Moody’s”), 7 World Trade Center at 250 Greenwich Street, New York, New York have rated the Bonds “AA+”, and “Aa2”, respectively. Such ratings reflect only the views of such rating agencies and any desired explanation of the significance of such ratings may be obtained from S&P and Moody’s, respectively. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any period of time or that such ratings will not be revised or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any revision or withdrawal of the ratings may have an effect on the market price of the Bonds.

MISCELLANEOUS

The quotations from, and summaries and explanations of the Act, the Resolution and the Loan Agreements contained or incorporated by reference herein do not purport to be complete and reference is made to said law, Resolution and Loan Agreements for full and complete statements of their provisions. The Appendices attached hereto or incorporated by reference herein are a part of this Official Statement. Copies, in reasonable quantity, of the Act, the Resolution and prior Official Statements of the Bond Bank may be obtained upon request directed to the Bond Bank or to the Underwriters.

It is the current policy of the Bond Bank to provide copies of the Act, the Resolution and prior Official Statements of the Bond Bank related to a Series of General Resolution Bonds upon request directed to the Bond Bank. In addition, the Bond Bank files with the Trustee a copy of its annual report for each Fiscal Year. The Bond Bank reserves the right at any time to change this policy to comply with law or for any other reason.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Bond Bank and the purchasers or Holders of any of the Bonds.

APPENDIX A



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

[Closing Date]

Vermont Bond Bank
100 Bank Street, Suite 401
Burlington, Vermont 05401

Re: Vermont Bond Bank 2024 Series 3 Refunding Bonds (the “Bonds”)

We have acted as bond counsel to the Vermont Bond Bank (the “Bond Bank”) in connection with the issuance by the Bond Bank of the above-captioned bonds (the “Bonds”) pursuant to the provisions of the Vermont Bond Bank Law, Public Act No. 216 of the Laws of Vermont enacted by the General Assembly of the State of Vermont at the 1969 Adjourned Session, as amended (the “Act”), the General Bond Resolution adopted by the Bond Bank on May 3, 1988, as amended (the “General Resolution”), and the Series Resolution adopted by the Bond Bank on June 27, 2024 authorizing the issuance of the Bonds (the “Series Resolution,” and together with the General Resolution, the “Resolutions”). Terms not otherwise defined herein shall have the same meanings as set forth in the Resolutions.

We have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

The Bonds are being issued by means of a book-entry-only system, with bond certificates immobilized at The Depository Trust Company, New York, New York (“DTC”), and not available for distribution to the public, evidencing ownership of the Bonds in denominations of \$5,000 or integral multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants.

The Bonds are payable on December 1 in the years and principal amounts, bear interest at the rates and are subject to redemption prior to maturity, all as provided in the Series Resolution.

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

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Bond Bank is duly created and validly existing as a body politic and corporate constituted as an instrumentality of the State of Vermont (the “State”), under and

pursuant to the laws of the State with the power to adopt the Resolutions, perform the agreements on its part contained therein and issue the Bonds.

2. The Resolutions have been duly adopted by the Bond Bank and constitute valid and binding obligations of the Bond Bank enforceable upon the Bond Bank.
3. Pursuant to the Act and subject to the exceptions and terms of the Resolutions, the Resolutions create a valid lien on the Municipal Bonds, the Municipal Bond Payments and moneys and securities held or set aside thereunder (except for the Rebate Fund) for the security of the Bonds on a parity with other bonds issued or to be issued under the General Resolution.
4. The Bonds have been duly authorized, executed and delivered by the Bond Bank and are valid and binding direct and general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged to the payment of the principal of and interest on the Bonds.
5. In the General Resolution, the Bond Bank has validly covenanted and will be legally obligated to enforce and take all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of the Municipal Bonds securing the Loans made by the Bond Bank, including the prompt collection of payments of principal and interest on such Municipal Bonds and Fees and Charges, and to make and deliver to the Governor or Governor-elect of the State, in compliance with the provisions of the Act, a certificate stating the amount, if any, required to restore the Reserve Fund to the Required Debt Service Reserve. Further, the General Assembly of the State is legally authorized, although not legally obligated, to appropriate annually such sum as shall have been certified by the Chair of the Bond Bank to the Governor or Governor-elect of the State as is necessary to restore the Reserve Fund to an amount equal to the Required Debt Service Reserve, and upon the making of such appropriations in accordance with the Act there shall be paid to the Bond Bank for deposit in the Reserve Fund the amounts appropriated.
6. Interest on the Bonds will not be included in the gross income of the holders of the Bonds for federal income tax purposes. This opinion is rendered subject to compliance with various requirements of the Internal Revenue Code of 1986, as amended, which must be satisfied subsequent to the issuance of the Bonds in order that interest thereon is and continues to be excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause interest on the Bonds to be included in the gross income of holders of the Bonds retroactive to the date of issuance of the Bonds. Interest on the Bonds will not constitute a preference item for purposes of computation of the federal individual alternative minimum tax; however, we observe that interest on the Bonds included in the "adjusted financial statement income" of certain corporations is not excluded from computation of the federal corporate alternative minimum tax. We express no opinion as to other federal tax consequences resulting from holding the Bonds.

7. Interest on the Bonds is exempt from State of Vermont personal income taxes and State of Vermont corporate income taxes.
8. Except as set forth in paragraph (6), we express no opinion as to federal tax consequences of holding the Bonds, and except as set forth in paragraph (7), we express no opinion as to any state or local tax consequences arising with respect to the Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds and the Resolutions 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.

MINTZ, LEVIN, COHN, FERRIS, GLOVSKY AND POPEO, P.C.

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Vermont Bond Bank

2024 Series 3 Refunding Bonds
(the “Bonds”)

Continuing Disclosure Undertaking

Prior to the issuance of the Bonds, the Vermont Bond Bank (the “Bank”) and U.S. Bank Trust Company, National Association, as dissemination agent (the “Dissemination Agent”) will enter into a continuing disclosure agreement (the “Disclosure Agreement”) setting forth the undertakings of the Bank regarding continuing disclosure with respect to the Bonds. In the Disclosure Agreement, the Bank will undertake for the benefit of the registered owners and Beneficial Owners (the “owners”) of the Bonds to provide to the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access (“EMMA”) system pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), within the meaning of the Rule, not later than September 1 of each year, (i) the annual financial information described below relating to such fiscal year, together with audited financial statements of the Bank for such fiscal year if audited financial statements are then available, provided, however, that if audited financial statements of the Bank are not then available, such audited financial statements shall be delivered to EMMA when they become available (but in no event later than December 1 of each year) or (ii) notice of the Bank’s failure, if any, to provide any such information. The annual financial information to be provided as aforesaid shall include financial information and operating data, in each case updated through the last day of such fiscal year unless otherwise noted, relating to the Bank, in each case substantially in the same level of detail as is found in the referenced Official Statement, including in any event an update of the information set forth in Appendix B of the final Official Statement.

In addition, the annual financial information shall contain the following information received by the Bank from each Obligated Person, if any, pursuant to the Loan Agreements: (a) the financial statements of each Obligated Person, if any, for the most recently ended fiscal year, prepared in accordance with generally accepted accounting principles as in effect from time to time or otherwise in accordance with applicable state law, if any, and (b) operating data for each Obligated Person, if any, for the most recently ended prior fiscal year which will include, to the extent applicable to the Obligated Person: (1) tax base and rates and collection percentages; (2) service charges, fees or rates and use data; (3) number of customers or students; (4) number of employees; (5) material changes in service delivery capacity; and (6) gain or loss of contracts having or projected to have a material impact on its financial position. “Obligated Person” means the Bank and any Municipality that has issued Municipal Bonds purchased by the Bank in an amount which exceeds in the aggregate 15% of the total principal amount outstanding as of September 1 of each year of Municipal Bonds purchased by the Bank under the Bank’s General Bond Resolution adopted on May 3, 1988, as amended.

Any or all of the items listed above may be included by reference to other documents, including official statements pertaining to debt issued by the Bank or any such Obligated Person, which have been submitted to EMMA. If the document incorporated by reference is a Final Official Statement within the meaning of the Rule, it will also be available from the MSRB. The Bank’s annual financial statements for each fiscal year shall consist of the balance sheet of the Bank and the related statements of revenue, expenses and changes in fund balances and statement of cash flows prepared in accordance with generally accepted accounting principles in effect from time to time. Such financial statements shall be audited by a firm of certified public accountants appointed by the Bank.

In the Disclosure Agreement, the Bank also will undertake for the benefit of the owners of the Bonds to provide to EMMA in a timely manner, not in excess of ten business days after the occurrence of the event, notice of any of the following events with respect to the Bonds or with respect to any Municipal Bonds in accordance with the Loan Agreements:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (vii) modifications to rights of security holders, if material;
- (viii) bonds calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the securities, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of an Obligated Person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of an Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) the incurrence of a financial obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of an Obligated Person, any of which affect security holders, if material; and
- (xvi) the default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of an Obligated Person, any of which reflect financial difficulties.

For the purposes of the event identified in subparagraph (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental

authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person. For purposes of the events identified in subparagraphs (xv) and (xvi), the term “financial obligation” (A) means (i) a debt obligation, (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation’ or (iii) a guarantee of (i) or (ii) and (B) excludes municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Nothing in the Disclosure Agreement shall preclude the Bank from disseminating any information in addition to that required under the Disclosure Agreement. If the Bank disseminates any such additional information, nothing in the Disclosure Agreement shall obligate the Bank to update such information or include it in any future materials disseminated.

To the extent permitted by law, the provisions of the Disclosure Agreement shall be enforceable against the Bank in accordance with the terms thereof by any owner of a Bond, including any beneficial owner acting as a third-party beneficiary (upon proof of its status as a beneficial owner reasonably satisfactory to the Bank). To the extent permitted by law, any such owner shall have the right, for the equal benefit and protection of all owners of the Bonds, by mandamus or other suit or proceeding at law or in equity, to enforce its rights against the Bank and to compel the Bank and any of its officers, agents or employees to perform and carry out their duties under the foregoing provisions as aforesaid, provided, however, that the sole remedy in connection with such undertakings shall be limited to an action to compel specific performance of the obligations of the Bank in connection with such undertakings and shall not include any rights to monetary damages. The Bank’s obligations in respect of the Disclosure Agreement shall terminate if no Bonds remain outstanding (without regard to an economic defeasance) or if the provisions of the Rule concerning continuing disclosure are no longer effective, whichever occurs first. The provisions of the Disclosure Agreement may be amended by the Bank and the Dissemination Agent, without the consent of, or notice to, any owners of the Bonds, (a) to comply with or conform to the provisions of the Rule or any amendments thereto or authoritative interpretations thereof by the Securities and Exchange Commission or its staff (whether required or optional), (b) to add a dissemination agent for the information required to be provided by such undertakings and to make any necessary or desirable provisions with respect thereto, (c) to add to the covenants of the Bank for the benefit of the owners of the Bonds, (d) to modify the contents, presentation and format of the annual financial information from time to time as a result of a change in circumstances that arises from a change in legal requirements, or (e) to otherwise modify the undertakings in a manner responding to the requirements of the Rule concerning continuing disclosure; provided, however, that in the case of any amendment pursuant to clause (d) or (e), (i) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances, and (ii) the amendment does not materially impair the interests of the owners of the Bonds, as determined either by a party unaffiliated with the Bank (such as Bank bond counsel) or by the vote or consent of owners of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment.

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REFUNDED BONDS

<u>Series</u>	<u>Maturity (December 1)</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>CUSIP</u> [†]
2014 Series 3 Bonds				
	2024	5.000%	\$2,965,000	924214RS0
	2025	5.000	2,145,000	924214RT8
	2026	5.000	2,170,000	924214RU5
	2027	5.000	2,085,000	924214RV3
	2028	5.000	2,115,000	924214RW1
	2029	5.000	2,135,000	924214RX9
	2030	5.000	2,460,000	924214RY7
	2031	5.000	2,490,000	924214RZ4
	2032	5.000	2,515,000	924214SA8
	2033	5.000	2,550,000	924214SB6
	2034	5.000	2,395,000	924214SC4
	2044	5.000	<u>1,450,000</u>	924214SD2
			\$27,475,000	
2014 Series 4 Refunding Bonds				
	2024	5.000%	\$2,060,000	924214SM2
	2025	5.000	1,935,000	924214SN0
	2026	5.000	<u>2,055,000</u>	924214SP5
			\$6,050,000	

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