

**ORDINANCE OF THE BOARD OF SUPERVISORS OF THE TOWNSHIP OF EXETER,
BERKS COUNTY, PENNSYLVANIA**

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE TOWNSHIP OF EXETER, BERKS COUNTY, PENNSYLVANIA, SETTING FORTH ITS INTENT TO INCUR NONELECTORAL INDEBTEDNESS EVIDENCED BY THE ISSUANCE, FROM TIME TO TIME, OF ONE OR MORE SERIES (OR SUBSERIES) OF ITS GENERAL OBLIGATION BONDS (THE "BONDS") IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF SEVEN MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$7,750,000). PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT, 53 PA. C.S. CHS. 80-82 (THE "ACT"); FINDING THAT A PRIVATE SALE BY NEGOTIATION IS IN THE BEST FINANCIAL INTERESTS OF THIS TOWNSHIP; DETERMINING THAT SUCH BONDS SHALL EVIDENCE NONELECTORAL DEBT OF THIS TOWNSHIP; SPECIFYING THAT SUCH INDEBTEDNESS IS TO BE INCURRED TO PROVIDE THE FUNDS NECESSARY TO FINANCE A PROJECT OF THIS TOWNSHIP WHICH CONSISTS OF, AMONG OTHER THINGS: (A) THE REFUNDING OF ALL OR ANY PORTION OF THE PRINCIPAL OF AND INTEREST DUE ON THIS TOWNSHIP'S GENERAL OBLIGATION BONDS, SERIES A OF 2015 (THE "2015A BONDS"); (B) THE REFUNDING OF ALL OR ANY PORTION OF THE PRINCIPAL AND INTEREST DUE ON THIS TOWNSHIP'S GENERAL OBLIGATION NOTE, SERIES OF 2018 (FEDERALLY TAXABLE) (THE "2018 NOTE"); AND (C) PAYING THE COSTS AND EXPENSES OF ISSUING AND INSURING, IF APPROPRIATE, THE BONDS; COMBINING THE VARIOUS COMPONENTS OF THE PROJECT FOR FINANCING PURPOSES; MAKING CERTAIN FINDINGS AND DETERMINATIONS IN CONNECTION WITH THE PROJECT; APPOINTING AN ESCROW AGENT, IF NECESSARY; AUTHORIZING THE ESCROW AGENT TO TAKE ALL NECESSARY AND REQUIRED ACTIONS REQUIRED BY THE TERMS OF THE 2015A BONDS AND/OR THE 2018 NOTE, RESPECTIVELY, TO EFFECT THE REFUNDING OF ALL OR ANY PORTION OF THE 2015A BONDS AND/OR THE 2018 NOTE, RESPECTIVELY; AUTHORIZING OFFICERS OF THIS TOWNSHIP TO EXECUTE NECESSARY DOCUMENTS IN CONNECTION WITH THE PROJECT; ACCEPTING A PROPOSAL FOR THE PURCHASE OF SUCH BONDS AT PRIVATE SALE BY NEGOTIATION; PROVIDING THAT SUCH BONDS, WHEN ISSUED, SHALL CONSTITUTE GENERAL OBLIGATIONS OF THIS TOWNSHIP; FIXING FOR EACH SERIES OF THE BONDS THE MAXIMUM AGGREGATE PRINCIPAL AMOUNTS OF EACH MATURITY (OR THE MAXIMUM PRINCIPAL AMOUNTS TO BE SUBJECT TO MANDATORY SINKING FUND REDEMPTION) IN EACH YEAR, DATED DATES, INTEREST PAYMENT DATES, MATURITY DATES, MAXIMUM INTEREST RATES, MAXIMUM ANNUAL AMOUNTS TO BE APPROPRIATED FOR DEBT SERVICE, OPTIONAL REDEMPTION PROVISIONS, MANDATORY REDEMPTION PROVISIONS (IF APPLICABLE) AND THE PLACE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; AUTHORIZING SPECIFIED

OFFICERS OF THIS TOWNSHIP TO CONTRACT WITH THE PAYING AGENT; SETTING FORTH THE SUBSTANTIAL FORM OF THE BONDS EVIDENCING THE DEBT; AUTHORIZING EXECUTION AND ATTESTATION OF SUCH BONDS; PROVIDING COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SUCH BONDS TO THE EXTENT REQUIRED BY THE ACT AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS TOWNSHIP IN SUPPORT THEREOF; CREATING A SINKING FUND AND, IF NECESSARY, ACCOUNTS THEREIN IN CONNECTION WITH SUCH BONDS, TO THE EXTENT REQUIRED BY THE ACT; DESIGNATING THE PAYING AGENT TO BE THE SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT FOR SUCH BONDS WHEN DUE; SETTING FORTH PROVISIONS REGARDING THE MECHANICS OF THE PAYMENT OF INTEREST ON THE BONDS AND SETTING FORTH REGISTRATION AND TRANSFER PROVISIONS WITH RESPECT TO SUCH BONDS; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THIS TOWNSHIP TO DO, TO TAKE AND TO PERFORM CERTAIN SPECIFIED, REQUIRED, NECESSARY OR APPROPRIATE ACTS TO EFFECT THE ISSUANCE OF THE BONDS, INCLUDING, WITHOUT LIMITATION, THE PREPARATION OF A DEBT STATEMENT AND BORROWING BASE CERTIFICATE, AND THE FILING OF OTHER SPECIFIED DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA, ALL AS REQUIRED BY THE ACT; DECLARING THAT THE DEBT TO BE EVIDENCED BY SUCH BONDS, TOGETHER WITH ALL OTHER INDEBTEDNESS OF THIS TOWNSHIP, WILL NOT BE IN EXCESS OF ANY APPLICABLE LIMITATION IMPOSED BY THE ACT; AUTHORIZING PROPER OFFICERS OF THIS TOWNSHIP TO DELIVER THE BONDS UPON THE APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA; SETTING FORTH CERTAIN COVENANTS PRECLUDING THIS TOWNSHIP FROM TAKING ACTIONS WHICH WOULD CAUSE THE BONDS TO BECOME "ARBITRAGE BONDS," AS THAT TERM IS USED IN THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND THE APPLICABLE REGULATIONS PROMULGATED THEREUNDER; AUTHORIZING THE PURCHASE OF MUNICIPAL BOND INSURANCE (IF APPLICABLE); APPROVING THE FORM OF A CONTINUING DISCLOSURE AGREEMENT AND AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY THEREOF AND THE UNDERTAKING OF CERTAIN CONTINUING DISCLOSURE; AUTHORIZING THE PREPARATION AND DISTRIBUTION OF ONE OR MORE PRELIMINARY OFFICIAL STATEMENTS AND EXECUTION AND DELIVERY OF ONE OR MORE OFFICIAL STATEMENTS; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INsofar AS THE SAME SHALL BE INCONSISTENT HERewith.

WHEREAS, Township of Exeter, Berks County, Pennsylvania (the “Township”) is a second class Township and a local government unit of the Commonwealth of Pennsylvania (the “Commonwealth”); and

WHEREAS, this Township heretofore issued its General Obligation Bonds, Series A of 2015, dated as of December 30, 2015 (the “2015A Bonds”), in the original aggregate principal amount of \$9,755,000 pursuant to an ordinance of the Board enacted on November 2, 2015 (the “2015A Bonds Enabling Ordinance”); and

WHEREAS, the Department of Community and Economic Development of the Commonwealth (the “Department”) approved the increase of debt of this Township evidenced by the 2015A Bonds on December 18, 2015, as evidenced by Certificate of Approval No. GOB-15121802; and

WHEREAS, \$5,065,000 aggregate principal amount of the 2015A Bonds remain outstanding; and

WHEREAS, this Township also heretofore issued its General Obligation Note, Series of 2018 (Federally Taxable), dated as of June 29, 2018 (the “2018 Note”), in the original principal amount of \$3,050,000 pursuant to an ordinance of the Board enacted on May 29, 2018 (the “2018 Note Enabling Ordinance”); and

WHEREAS, the Department approved the increase of debt of this Township evidenced by the 2018 Note on June 20, 2018, as evidenced by Certificate of Approval No. GON-18062001; and

WHEREAS, \$2,900,000 principal amount of the 2018 Note remains outstanding; and

WHEREAS, this Township desires to incur non-electoral indebtedness to be evidenced by the issuance, from time to time, of one or more series (or subseries) of its General Obligation

Bonds, Series of 2020 (or such other designation of series or the calendar year(s) during which such bonds may be issued) (the “Bonds”) in order to, among other things, refund all or any portion of the outstanding principal of the 2015A Bonds and the 2018 Note, respectively, and the interest due thereon, in order to reduce the annual debt service of this Township in any particular year or years of the 2015A Bonds and/or the 2018 Note, respectively, through the issuance and sale of the Bonds; and

WHEREAS, this Township, in contemplation of the issuance and sale of one or more series (or subseries) of the Bonds, from time to time, has determined that the Bonds shall be offered for sale at a private sale by negotiation pursuant to the provisions of the Local Government Unit Debt Act of the Commonwealth, 53 Pa. C.S. Chs. 80-82 (the “Act”), and has determined that a private sale by negotiation is in the best financial interests of this Township; and

WHEREAS, the Board has determined to accept the proposal, dated November 9, 2020 (the “Proposal”) of PNC Capital Markets LLC (the “Purchaser”), for the purchase of the Bonds, such sale to be conditioned upon, among other things, the receipt of approval from the Department relating to the incurring of the maximum aggregate principal amount of non-electoral indebtedness to be evidenced by the Bonds; and

WHEREAS, the Board has determined to and desires to accept the Proposal of the Purchaser and to incur non-electoral debt to be evidenced by one or more series (or subseries) of the Bonds pursuant to the provisions of the Act.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of Township of Exeter, Berks County, Pennsylvania, in lawful session duly assembled, as follows:

Section 1. Pursuant to the provisions of this Ordinance, the Board hereby authorizes and directs the incurrence of non-electoral indebtedness to be evidenced by the issuance, from time to time, of one or more series (or subseries) of its Bonds in the maximum aggregate principal amount of Seven Million Seven Hundred Fifty Thousand Dollars (\$7,750,000) (on a not to exceed basis). The Bonds shall be issued and sold in one or more series (or subseries), from time to time, in accordance with the provisions of the Act by private sale by negotiation. In connection therewith, the Board hereby finds and determines that a private sale by negotiation is in the best financial interests of this Township.

Section 2. The Board determines that the debt to be incurred pursuant to this Ordinance, and which will be evidenced by the issuance, from time to time, of one or more series (or subseries) of the Bonds in accordance with the terms hereof, shall be non-electoral debt of this Township.

Section 3. (a) A brief description of the project to be financed with the proceeds of the Bonds, together with other funds of the Township available for such purpose, if any, is as follows:

(i) refunding of all or any portion of the principal of the 2015A Bonds, together with the interest due thereon;

(ii) refunding of all or any portion of the principal of the 2018 Note, together with the interest due thereon; and

(iii) payment of the costs and expenses of issuing the Bonds, in one or more series (or subseries), from time to time, including, among others, a premium or premiums on one or more municipal bond insurance policies, if appropriate (collectively, the “Refunding Projects”).

The 2015A Bonds were issued to: (i) advance refund a portion of the Township's General Obligation Notes, Series of 2007 (the "2007 Notes"); and (ii) pay the costs and expenses of issuing the 2015A Bonds.

The 2007 Notes were issued: (i) to currently refund the Township's General Obligation Variable Rate Demand Bonds, Series of 2005 (the "2005 Bonds"); (ii) for the planning, designing, constructing, furnishing and equipping of various capital improvements to the Township's existing facilities and systems and the acquisition of certain municipal equipment (the "2007 Capital Project"); and (iii) to pay the costs and expenses of issuing and insuring the 2007 Notes.

The 2005 Bonds were issued: (i) for the acquisition of approximately 134 acres of real property and all appurtenant facilities situate thereon located in the Township for use as a municipal golf course and other recreational and open space activities; (ii) for the planning, designing, acquiring, constructing, furnishing and equipping of various capital improvements to the Township's existing facilities and systems and the acquisition of certain municipal equipment ((i) and (ii) are collectively referred to as the "2005 Capital Project"); and (iii) the payment of the costs of issuance of the 2005 Bonds.

The 2018 Note was issued: (i) to refund a portion of the 2015A Bonds; and (ii) to pay the costs and expenses of issuing the 2018 Note.

As is set forth in the ordinance authorizing the issuance of the 2007 Notes, which was enacted on October 15, 2007, the "remaining realistic estimated useful lives of the capital projects originally financed by the 2005 Bonds... are at least 38 years. The realistic estimated useful lives of the capital projects financed with the [2007] Notes range from 7 to 40 years." Such useful life estimates are hereby ratified and confirmed. It is hereby certified that the

aggregate principal amount of the Bonds shall mature prior to the end of the useful life of the 2005 Capital Project and the 2007 Capital Project, respectively.

The Township determines to combine the various components of the Refunding Projects for financing purposes, in accordance with the terms and provisions of the Act. The maturity of stated installments of principal of the Bonds (and any subseries thereof) will not be deferred beyond two years from the respective dates of issuance of the Bonds (and any subseries thereof).

The Board determines that the final principal maturity of the Bonds (and any subseries thereof) shall not be later than August 1, 2039, a maturity date that could have been included in the 2015A Bonds and/or the 2018 Note, as applicable.

In connection with the issuance and sale of the Bonds (and any subseries), the Board, as required by the provisions of the Act, hereby finds, determines and states that the purpose of the Refunding Projects is: (i) with respect to the 2015A Bonds, to reduce total debt service over the life of the 2015A Bonds in accordance with Section 8241(b)(1) of the Act and/or to reduce the annual debt service in any particular year or years of the 2015A Bonds in accordance with Section 8241(b)(2) of the Act, as appropriate; and (ii) with respect to the 2018 Note, to reduce total debt service over the life of the 2018 Note in accordance with Section 8241(b)(1) of the Act, to reduce the annual debt service in any particular year or years of the 2018 Note in accordance with Section 8241(b)(2) of the Act and/or to substitute bonds for notes in accordance with Section 8241(b)(5) of the Act, as appropriate.

Pursuant to Section 8250(b) of the Act, this Township shall irrevocably deposit with a bank or trust company: (i) moneys; (ii) non-callable securities of the Federal Government or of the Commonwealth maturing or payable at par at the option of the holders at or prior to the dates needed for disbursements; (iii) time deposits or certificates of deposit, with a firm rate of interest

or stated minimum rate of interest, issued by a bank or bank and trust company and insured or adequately secured as required by Section 8224 of the Act; or (iv) any combination of the foregoing, in an amount which, together with interest to be earned thereon, will equal the principal of and interest due on the 2015A Bonds on the 2015A Bonds Call Date (hereinafter defined) and/or the 2018 Note on the 2018 Note Call Date (hereinafter defined), and on the 2015A Bonds Call Date and/or the 2018 Note Call Date, to optionally redeem all or the appropriate portion of the principal of the 2015A Bonds and/or the 2018 Note being refunded. The Escrow Agent (hereinafter defined) is hereby instructed and irrevocably authorized to provide appropriate notices of redemption of said 2015A Bonds and/or said 2018 Note, respectively, being refunded in accordance with the terms of redemption of said 2015A Bonds and/or said 2018 Note, as appropriate, and the 2015A Bonds Enabling Ordinance and/or the 2018 Note, as appropriate, in order that the outstanding principal of and interest due on the 2015A Bonds and/or the 2018 Note being refunded, respectively, will be optionally redeemed on the 2015A Bonds Call Date and/or the 2018 Note Call Date, respectively, as more fully set forth below.

In order to effect the Refunding Projects, the Board hereby determines to call for optional redemption: (i) the 2015A Bonds which are stated to mature on and after August 1, 2021, on February 1, 2021 or such later date as approved by the Township Manager (the “2015A Bonds Call Date”); and (ii) the 2018 Note which is stated to mature on August 1, 2027, on such date as approved by the Township Manager (the “2018 Note Call Date”). The Board also determines, that if necessary in connection with any optional redemption of the 2015A Bonds being refunded or the 2018 Note being refunded, as appropriate, it will deposit or cause to be deposited, a portion of the proceeds of the Bonds, as appropriate, including any subseries thereof, if any, into

an escrow account or accounts to be held by the paying agent for the 2015A Bonds and the 2018 Note (the “Escrow Agent”), in its capacity as escrow agent under an appropriate Escrow Agreement (hereinafter defined), which shall be invested by the Escrow Agent, in accordance with the terms of the Escrow Agreement and be applied by the Escrow Agent to pay the principal of and interest due on the 2015A Bonds being refunded and the 2018 Note being refunded, respectively, on the 2015A Bonds Call Date, or the 2018 Note Call Date, respectively, in accordance with the terms and provisions of the 2015A Bonds being refunded and the 2018 Note being refunded, as appropriate, all as more fully set forth in one or more escrow agreements, to be dated as set forth therein (collectively, the “Escrow Agreement”), to be entered into by and between this Township and the Escrow Agent. The Escrow Agreement shall be in the form as shall be approved by officers of this Township executing the same, whose execution thereof shall be conclusive evidence of such approval. The Chairperson or Vice Chairperson, as applicable, of the Board is hereby authorized and directed to execute and deliver the Escrow Agreement in the name of and on behalf of this Township, and the Secretary or Assistant Secretary of the Township is authorized and directed to attest said signature and to affix the seal of this Township to the Escrow Agreement.

Each Escrow Agent is hereby authorized and directed to take all necessary and appropriate actions required of it by the terms and provisions of the Escrow Agreement, the 2015A Bonds and the 2018 Note, respectively, and the 2015A Bonds Enabling Ordinance and the 2018 Enabling Ordinance, respectively, to accomplish the Refunding Projects, including, but not limited to, providing appropriate notices of redemption of the 2015A Bonds being refunded and/or the 2018 Note being refunded, as appropriate, to the registered owners of the 2015A Bonds being refunded and/or the 2018 Note being refunded, respectively.

The Board hereby authorizes and directs its officers, administrators, agents and employees to execute all documents and take all actions necessary in connection with accomplishing the Refunding Projects.

In accordance with Section 8142(b)(2) of the Act, the stated maturities or installments of principal of each series (or subseries) of the Bonds shall be fixed so that the debt service on outstanding debt of this Township will be brought more nearly into an overall level annual debt service plan.

Section 4. Subject to the approval of the Department, as required by the provisions of the Act, the Board shall and does hereby accept the Proposal of the Purchaser, for the purchase of each series of the Bonds in accordance with the terms and conditions of this Ordinance and the Proposal of the Purchaser. The sale of the Bonds shall be for a maximum aggregate purchase price of not less than \$7,711,250 (99.5% of the actual maximum aggregate principal amount of the Bonds issued), less original issue discount, if any, plus original issue premium, if any, plus accrued interest, if any, from the dated date of the applicable series (or subseries) of Bonds to the date of delivery thereof. The purchase price for each series (or subseries) of the Bonds, if the Bonds are issued in more than one series (or subseries), shall not be less than 99.00% of the actual aggregate principal amount of each such individual series (or subseries) of the Bonds (less original issue discount, if any, plus original issue premium, if any, plus accrued interest, if any). The Chairperson or Vice Chairperson, as appropriate, of the Board is hereby authorized and directed to accept and to execute the Proposal (and any amendments or addenda thereto in connection with the issuance of any series (or subseries) of Bonds hereunder, as long as the terms and provisions of such series (or subseries) of Bonds comply with the terms hereof) in the name and on behalf of this Township, and the Secretary or Assistant Secretary, as appropriate, of

this Township is hereby authorized and directed to attest to such acceptance and execution. A copy of the Proposal, as presented to this Board and accepted by this Ordinance, is incorporated herein by reference and shall be attached to this Ordinance and maintained with the minutes of this meeting. The bid security, if any, accompanying the Proposal shall be held and shall be applied as provided by the Act; provided, however, that no allowance for interest shall be made by this Township with respect to such bid security, except as provided by the Act.

Section 5. The Bonds, when issued, will be general obligations of this Township.

Section 6. The Bonds shall be fully registered, without coupons, in denominations of \$5,000 or any integral multiple thereof, in substantially the form hereinafter set forth in Section 9. Each series (or subseries) of the Bonds shall be dated as of their respective date of issuance and shall bear interest at a taxable or tax-exempt rate from that date at the applicable rates per annum which shall not exceed the maximum rate per annum as set forth in Section 7, payable in accordance with the provisions of the Bonds and this Ordinance, semi-annually on February 1 and August 1 of each year, commencing on the first February 1 or August 1 (unless otherwise agreed to by the Township) occurring after the date of issuance of the applicable series of the Bonds (each an “Interest Payment Date”), until maturity or prior redemption.

Section 7. (a) The Bonds, when issued, shall bear interest at taxable or tax-exempt rates which shall be less than or equal to, as appropriate, the not to exceed rate of interest and shall mature, or be subject to mandatory sinking fund redemption, as appropriate, on the dates and in principal amounts which shall be less than or equal to, as appropriate the not to exceed principal amounts, as set forth on the following schedule:

<u>Maturity Date</u> <u>(August 1)</u>	<u>Not to Exceed</u> <u>Principal Amount</u>	<u>Not to Exceed</u> <u>Interest Rate</u>
2021	\$475,000	5.00%
2022	500,000	5.00
2023	505,000	5.00
2024	520,000	5.00
2025	530,000	5.00
2026	265,000	5.00
2027	205,000	5.00
2028	255,000	5.00
2029	260,000	5.00
2030	255,000	5.00
2031	425,000	5.00
2032	425,000	5.00
2033	430,000	5.00
2034	435,000	5.00
2035	445,000	5.00
2036	435,000	5.00
2037	445,000	5.00
2038	460,000	5.00
2039	480,000	5.00

(b) The not to exceed amounts to be appropriated for debt service on the Bonds in each fiscal year of this Township shall be as follows:

<u>Year</u> <u>(Ending 12/31)</u>	<u>Not to Exceed</u> <u>Debt Service</u> <u>(Principal and Interest)</u>
2021	\$718,263.89
2022	863,750.00
2023	843,750.00
2024	833,500.00
2025	817,500.00
2026	526,000.00
2027	452,750.00
2028	492,500.00
2029	484,750.00
2030	466,750.00
2031	624,000.00
2032	602,750.00
2033	586,500.00

Year <u>(Ending 12/31)</u>	Not to Exceed Debt Service <u>(Principal and Interest)</u>
2034	570,000.00
2035	558,250.00
2036	526,000.00
2037	514,250.00
2038	507,000.00
2039	504,000.00

(c) Each series (or subseries) of Bonds may be subject to redemption, prior to maturity, at the option of this Township, in whole or in part (in any order of maturity selected by the Township), at any time on or after a date which is not later than ten (10) years from the date of issuance of such series (or subseries) of Bonds, at a redemption price not exceeding 102% of the principal amount of the Bonds to be redeemed (all as shall be approved by the Chairperson or Vice Chairperson of the Board prior to his or her execution of the applicable series (or subseries) of Bonds), plus accrued interest thereon to the date fixed for such optional redemption. In the event that less than all Bonds of a particular maturity are to be redeemed, the Bonds of such maturity to be redeemed shall be drawn by lot by the Paying Agent (hereinafter defined).

(d) The Bonds of any series (or subseries) may be issued as “term bonds” and be subject to mandatory sinking fund redemption prior to maturity (at a price equal to 100% of the principal amount of such Bonds called for mandatory redemption plus accrued interest thereof to the date fixed for such mandatory sinking fund redemption) in the appropriate principal amounts necessary to redeem the Bonds subject to mandatory sinking fund redemption, as shall be more fully set forth in the form of Bond for such series (or subseries) (as shall be approved by the Chairperson or Vice Chairperson of the Board prior to his or her execution of the applicable series (or subseries) of Bonds), as drawn by lot by the Paying Agent; provided,

however, that the principal amounts of the particular series (or subseries) of Bonds, when aggregated with Bonds of other series (or subseries) maturing or subject to mandatory sinking fund redemption on that date, if any, may not exceed the “not to exceed principal amounts” in any year set forth in Section 7(a) hereof.

In lieu of any such mandatory sinking fund redemptions of any series or subseries of Bonds, the Paying Agent, on behalf of and as directed in writing by this Township, may purchase, from money in the appropriate account of the Sinking Fund, or this Township may tender to the Paying Agent, all or part of the Bonds subject to mandatory sinking fund redemption in any such year, so long as such directions are received by the Paying Agent not later than ninety days prior to the date of any such mandatory redemption.

(e) Each series (or subseries) of Bonds that are issued as taxable bonds for Federal tax purposes, may be subject to redemption as shall be set forth in an amendment or addenda to the Proposal.

(f) If a Bond is of a denomination larger than \$5,000, a portion of such Bond may be redeemed. For the purposes of redemption, such Bond shall be treated as representing that number of Bonds which is obtained by dividing the principal amount thereof by \$5,000, each \$5,000 portion of such Bond being subject to redemption. In the event of a partial redemption of a Bond, payment of the redemption price shall be made only upon surrender of such Bond in exchange for Bonds of the same series, of authorized denominations and in an aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

Any redemption of Bonds shall be upon notice effected by mailing a copy of the redemption notice by first class mail, such notice to be deposited in first class mail not more than forty-five (45) days nor less than thirty (30) days prior to the date fixed for redemption,

addressed to the registered owners of Bonds to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the date the Bonds are selected for redemption; provided, however, that failure to give such notice by mailing, or any defect therein or in the mailing thereof, shall not affect the validity of any proceeding for redemption of other Bonds called for redemption as to which proper notice has been given. Such notice shall be given in the name of the Township, shall identify the Bonds (and series thereof) to be redeemed (and, in the case of a partial redemption of any Bonds, the respective principal amounts thereof to be redeemed), shall specify the redemption date and the redemption price, and shall state that on the redemption date the Bonds called for redemption will be payable at the designated corporate trust office of the Paying Agent and that interest will cease to accrue from the date of redemption. The Paying Agent may use "CUSIP" numbers (if then generally in use) in notices of redemption as a convenience to registered owners of the Bonds, provided that any such notice shall state that no representation is made as to the correctness of such numbers either as printed on the Bonds or as contained in any notice of redemption and that reliance may be placed only on the identification numbers printed on the Bonds.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal and accrued interest being held by the Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof so called for redemption shall cease to be entitled to any benefit or security under this Ordinance, and registered owners of such Bonds or portions thereof so called for redemption shall have no rights with respect to such Bonds, except to receive payment of the principal of and accrued interest on such Bonds to the date fixed for redemption.

If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or by executive order to close, then the payment of such principal and interest upon such redemption need not be made on such date, but may be made on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions in the Commonwealth are authorized to close with the same force and effect as if made on the nominal date of redemption, and no interest shall accrue after such nominal date of redemption.

If at the time of mailing of any notice of redemption, this Township shall not have deposited with the Paying Agent moneys or obligations, the principal of or interest on which will be sufficient to redeem the Bonds so called for redemption, such notice may state that it is conditional and that it is subject to the deposit of redemption moneys with the Paying Agent not later than the redemption date, and such redemption notice shall be of no effect unless such moneys are so deposited.

Section 8. The Board of this Township appoints U.S. Bank National Association of Philadelphia, Pennsylvania, as the paying agent and sinking fund depositary for the Bonds (with its successors and assigns the “Paying Agent”). Proper officers of this Township are hereby authorized, empowered and directed to contract with the Paying Agent for its services as paying agent and sinking fund depositary in accordance with the terms and conditions of the Proposal, this Ordinance and the Act. Payment of the principal of and interest on the Bonds shall be made, when due, in accordance with the provisions of the Bonds, at or from the corporate trust office of the Paying Agent located in Philadelphia, Pennsylvania or such other corporate trust office designated by the Paying Agent, in lawful money of the United States of America.

Section 9. The Bonds shall be in substantially the form set forth in Exhibit “A”, which is attached hereto and made a part hereof as though fully set forth herein, with appropriate series (or subseries) designations, if appropriate, insertions, omissions and variations. Each series (or subseries) of the Bonds, upon original issuance, are to be issued in the form of a single, fully registered bond for each maturity thereof, in denominations equal to the principal amount of the Bonds of such series maturing on such date, and shall be delivered upon the written order of the Chairperson or Vice Chairperson of the Board, to or on behalf of The Depository Trust Company, New York, New York (the “Securities Depository”), or its nominee, CEDE & Co. for the account of the Purchaser. Each such Bond shall be registered on the registration books kept by the Paying Agent in the name of the Securities Depository or, at the Securities Depository’s option, in the name of CEDE & Co., as the Securities Depository’s nominee, and no beneficial owners thereof will receive certificates representing their respective interests in such Bonds, except in the event the Paying Agent issues “replacement bonds,” as hereinafter set forth.

In connection with the book-entry system of registration referred to above, this Township has heretofore executed and delivered a “Blanket Letter of Representations” (the “Representation Letter”) with the Securities Depository. The execution and delivery by this Township of the Representation Letter shall not in any way limit any undertaking or arrangement contemplated or provided for herein in respect of the Securities Depository or the book-entry registration, payment and notification system or in any other way impose upon this Township or the Paying Agent any obligation whatsoever with respect to beneficial owners having interests in the Bonds, any such obligation extending solely to the registered owners of the Bonds, as shown on the registration books kept by the Paying Agent. The Paying Agent shall take all action necessary

for all representations of this Township in the Representation Letter with respect to the Paying Agent to be complied with at all times.

This Township, in its sole discretion and without the consent of any other person, may terminate the services of the Securities Depository with respect to any series of the Bonds, if this Township determines that:

(i) the Securities Depository is unable to discharge its responsibilities with respect to the Bonds;

(ii) a continuation of the requirement that all of the then outstanding Bonds be registered in the registration books kept by the Paying Agent in the name of the nominee of the Securities Depository is not in the best interests of the beneficial owners of the Bonds; or

(iii) it is in the best interests of this Township to do so and the interests of the beneficial owners of the Bonds would not be adversely affected thereby.

Upon the termination of the services of the Securities Depository with respect to any series of the Bonds, or upon the discontinuation of such services after which no substitute securities depository willing to undertake the functions of the Securities Depository can be found which, in the opinion of this Township, is willing and able to undertake such functions upon reasonable and customary terms, then the Paying Agent shall authenticate and cause delivery of “replacement bonds” with respect to the interests of the beneficial owners of the Bonds. This Township will pay all costs incurred in connection with the printing, authentication and delivery of such “replacement bonds.” Upon issuance of “replacement bonds,” all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Paying Agent or alternate or successor transfer agent or paying agent to the extent applicable with respect to such “replacement bonds.”

The Securities Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to this Township and the Paying Agent as provided in the Representation Letter and discharging its responsibilities with respect thereto under applicable law.

Section 10. Each series (or subseries) of the Bonds, as appropriate, shall be executed in the name and on behalf of this Township by the true or facsimile signature of the Chairperson or Vice Chairperson of the Board and the true or facsimile official seal of this Township shall be affixed thereunto, duly attested by the true or facsimile signature of the Secretary or Assistant Secretary of this Township. Said officers are authorized and directed to execute, attest and seal the Bonds.

No Bond constituting one of the Bonds shall be entitled to any benefit under this Ordinance nor shall it be valid, obligatory or enforceable for any purpose until such Bond shall have been registered and authenticated by the Certificate of Authentication endorsed thereon duly executed by the Paying Agent; and the Paying Agent is authorized to register and authenticate the Bonds, in accordance with the provisions hereof.

Section 11. This Township covenants to and with the registered owners, from time to time, of the Bonds that this Township shall: (i) include the amount of the debt service for the Bonds for each fiscal year in which such sums are payable in its budget for that fiscal year of this Township; (ii) appropriate from its general revenues in each such fiscal year the amount required to pay debt service on the Bonds for such year; and (iii) duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds the principal amount of and interest on the Bonds at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, this

Township shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in Section 8104(b) of the Act, the foregoing covenant of this Township shall be specifically enforceable.

Section 12. This Township hereby covenants to create and there is hereby created, pursuant to Section 8221 of the Act, a sinking fund for the Bonds, to be known as “Sinking Fund – Township of Exeter - General Obligation Bonds” (the “Sinking Fund”), which sinking fund shall be established with the Paying Agent and administered in accordance with applicable provisions of the Act and this Ordinance. The Township hereby instructs the Paying Agent to, if necessary, create separate accounts within the Sinking Fund for each series (or subseries) of the Bonds.

Section 13. The Paying Agent shall be the “sinking fund depository” with respect to the Sinking Fund (and all accounts created therein for each series of Bonds issued hereunder) created pursuant to Section 12 of this Ordinance. This Township covenants and agrees to deposit in the appropriate account created within the Sinking Fund, on or before each Interest Payment Date, an amount which shall be sufficient to permit the Paying Agent to pay on such Interest Payment Date all of the principal of and accrued interest becoming due with respect to the appropriate series (or subseries) of Bonds. After such deposit, the Paying Agent shall, without further authorization or direction from this Township or any of its officials, upon proper and timely presentation, execution and surrender of the Bonds, with respect to the payment of principal of the Bonds, or on the Interest Payment Date, with respect to the payment of interest on the Bonds, withdraw moneys from the appropriate account created within the Sinking Fund and apply such moneys to the prompt and full payment of such obligations in accordance with the terms thereof, the terms and conditions of this Ordinance and the provisions of the Act.

Section 14. Each Bond shall bear interest from the Interest Payment Date next preceding the date of registration and authentication of such Bonds, unless: (a) such Bonds are registered and authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from said Interest Payment Date; or (b) the Bonds are registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding Interest Payment Date, in which event such Bonds shall bear interest from such Interest Payment Date; or (c) the Bonds are registered and authenticated on or prior to the Record Date preceding the first Interest Payment Date occurring immediately after the date of issuance of the appropriate series (or subseries) of Bonds in which event such Bonds shall bear interest from the date of issuance of such series of Bonds; or (d) as shown by the records of the Paying Agent, interest on such Bonds shall be in default, in which event such Bonds shall bear interest from the date on which interest was last paid on such Bonds. Interest shall be paid semi-annually on February 1 and August 1 of each year, commencing on the first Interest Payment Date occurring immediately after the date of issuance of the appropriate series (or subseries) of Bonds, until the principal sum is paid. Interest on the Bonds is payable by check drawn on the Paying Agent, which shall be mailed to the registered owner whose name and address shall appear, at the close of business on the fifteenth (15th) day (whether or not a business day) next preceding each Interest Payment Date (the "Record Date"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of the Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless this Township shall be in default in payment of interest due on such Interest Payment Date. In the event of any such default, such defaulted interest shall be payable to the person in whose name the Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent

to the registered owners of the Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing.

If the date for payment of the principal of or the interest on any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or executive order to close, then the payment of such principal or interest need not be made on such date, but may be made on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions in the Commonwealth are authorized to close, with the same force and effect as if made on the nominal date for payment of the principal or the interest, and no interest shall accrue after such due date.

This Township and the Paying Agent shall not be required to issue or to register the transfer of or exchange any Bonds: (i) then considered for redemption during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to be redeemed and ending at the close of business on the day on which the applicable notice of redemption is given; or (ii) selected for redemption, in whole or in part until after the date fixed for redemption. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same series, maturity and interest rate.

The Bonds shall be transferable or exchangeable by the registered owner thereof upon surrender thereof to the Paying Agent, at its designated corporate trust office located in Philadelphia, Pennsylvania, or at any other corporate trust office designated by the Paying Agent, when duly endorsed or accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner thereof or his attorney-in-fact or legal representative. The Paying Agent

shall enter any transfer of ownership of the Bonds in the registration books of this Township maintained by the Paying Agent and shall authenticate and deliver in the name of the transferee or transferees new fully registered Bonds of authorized denominations of the same series and maturity for the aggregate amount which the transferee or transferees are entitled to receive at the earliest practicable time. After delivering such new Bonds the Paying Agent may destroy the Bond surrendered for the transfer.

This Township and the Paying Agent may deem and treat the persons in whose names the Bonds shall be registered on the registration books of this Township maintained by the Paying Agent as the absolute owners thereof for all purposes, whether such Bonds shall be overdue or not, and payment of the principal of and/or interest on the Bonds shall be made only to or upon the order of the registered owners thereof or their legal representatives, but such registration may be changed, as herein and in the Bonds provided. All such payments shall be valid and effectual to satisfy in full and discharge the liability of this Township upon the Bonds so paid, to the extent of the sum or sums so paid, and neither this Township nor the Paying Agent shall be affected by any notice to the contrary.

This Township shall cause to be kept, and the Paying Agent shall keep, at the corporate trust office of the Paying Agent located in Philadelphia, Pennsylvania, or at such other corporate trust offices designated by the Paying Agent, books for the registration, exchange and transfer of Bonds in the manner provided herein and therein so long as the Bonds shall remain outstanding. Such registration, exchanges and transfers shall be made without charge to bondholders, except for actual costs, including postage, insurance and any taxes or other governmental charges required to be paid with respect to the same.

Section 15. Proper officials of this Township, and, if applicable, their duly qualified respective successors, are hereby authorized and directed, in the name of and on behalf of this Township: (a) to prepare, execute and certify the debt statement and borrowing base certificate required by the Act; (b) to prepare and to file with the Department any statements required by the Act that are necessary to qualify all or any portion of the debt of this Township, which is subject to exclusion as self-liquidating or subsidized debt, for exclusion from the appropriate debt limit of this Township as self-liquidating or subsidized debt; (c) to prepare, execute and file with the Department a duly attested copy of this Ordinance, with proofs of proper publication, the accepted Proposal and a complete and accurate transcript of the proceedings relating to the incurring of the debt to be evidenced by the Bonds, including the debt statement and borrowing base certificate; (d) to pay or to cause to be paid to the Department all proper filing fees required by the Act in connection with the foregoing; (e) to pay or to cause to be paid from proceeds of each series of the Bonds, as appropriate, or otherwise, all costs and expenses incurred by this Township in connection with the enactment of this Ordinance, and, as set forth in Section 17 hereof, the issuance of each series of the Bonds; (f) to advertise the enactment of this Ordinance, as required by the Act; (g) to file with the Department any notifications required by Section 8202 of the Act and to file with the Department a revised debt service schedule for the Bonds after the issuance of each series (or subseries) of the Bonds; (h) to approve the terms and provisions of each series of Bonds issued pursuant to the terms hereof (prior to the issuance thereof), including, but not limited to, the interest rates, the maturity provisions and the redemption provisions of each series of Bonds; provided that such terms and provisions must comply with the terms, provisions and maximum parameters set forth herein; and (i) to take any and all other action, and to approve, execute and deliver any and all documents and other instruments,

required or permitted by the Act or by the Proposal, or which they, in their sole discretion, may deem necessary, proper or desirable to effect the issuance of the Bonds, to the extent not inconsistent with this Ordinance or applicable law.

Section 16. It is hereby declared that the debt to be evidenced by the Bonds, together with all other indebtedness of this Township, is not in excess of any applicable limitation imposed by the Act upon the incurring of debt by this Township.

Section 17. The proper officers of this Township are hereby authorized and directed to deliver each series (or subseries) of the Bonds, as appropriate, to the Purchaser, upon due registration and authentication thereof as provided for herein, upon receipt of full and proper payment of the purchase price therefore and to pay or cause to be paid the costs of issuance of each series (or subseries) of the Bonds (which costs of issuance shall be approved by the Chairperson or Vice Chairperson of the Board at the time of issuance of each series (or subseries) of Bonds); provided, however, that such delivery and such payments shall be effected only after the Department has certified its approval pursuant to the Act. In addition to the foregoing, the proper officers of this Township are hereby authorized and directed to pay the costs incurred by the Township with regard to the incurrence of the non-electoral indebtedness to be evidenced by the Bonds, the enactment of this Ordinance and the receipt of the Department's approval of the indebtedness authorized by this Ordinance, upon receipt of the Department's approval.

Section 18. This Township covenants that it will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Bonds under Section 103 of the Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder (the "Code"). This Township

further covenants that it will not directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of this Township, or take or omit to take any action that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code. To that end, this Township will comply with all requirements of Section 148 of the Code to the extent applicable to the Bonds and the proceeds thereof. In the event that at any time this Township is of the opinion that for purposes of this Section 18 it is necessary to restrict or limit the yield on the investment of any proceeds of the Bonds held by or on behalf of this Township, including proceeds held pursuant to the Escrow Agreement, this Township shall take such action as may be necessary to effect such restriction.

Without limiting the generality of the foregoing, this Township (if necessary) shall pay or cause to be paid from time to time all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any temporary, proposed or final Treasury Regulations as may be applicable to the Bonds from time to time. This covenant shall survive payment in full or defeasance of the Bonds.

The Chairperson or Vice Chairperson of the Board is hereby authorized and directed to make any elections and approve any policies on behalf of this Township permitted by the Code or any Treasury Regulations deemed necessary or appropriate to enable the Township to comply with the requirements of this Section 18.

Notwithstanding any provision of this Section 18, if this Township obtains an opinion of nationally recognized bond counsel to the effect that any action required under this Section is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest on the Bonds pursuant to Section 103 of the Code, this

Township may rely conclusively on such opinion in complying with the provisions hereof, and the covenants hereunder shall be modified to the extent set forth in such opinion without further action by this Township.

Section 19. If the Chairperson or the Vice Chairperson of the Board determines that it is in the Township's best interests to have any series (or subseries) of Bonds credit enhanced with municipal bond insurance, the Board authorizes and directs the purchase of one or more policies of municipal bond insurance with respect to all or any portion of a series (or subseries) of the Bonds. Proper officers and officials of this Township are authorized and directed to take all required, necessary and/or appropriate action with respect to such insurance, including, but not limited to, the payment of the premium therefor and the execution, attestation and delivery of any necessary documents, instruments or agreements in connection therewith.

Section 20. Continuing Disclosure Agreements, to be dated the date of issuance of each series or subseries of the Bonds (the "Continuing Disclosure Agreements"), shall be substantially in the form presented to this meeting, with such changes, if any, as may be approved by officers of this Township executing the same, whose execution thereof shall be conclusive evidence of such approval. At the time of issuance of any series of the Bonds, the Chairperson or Vice Chairperson, as applicable, of the Board, is hereby authorized and directed to execute and deliver any Continuing Disclosure Agreements in the name of and on behalf of this Township, and the Secretary or Assistant Secretary, as applicable, of this Township is authorized and directed to attest said signature and to affix the seal of this Township to the Continuing Disclosure Agreements.

The Township covenants to provide such continuing disclosure, at such times, in such manner and of such nature as is described in the Continuing Disclosure Agreements.

Section 21. The Township hereby authorizes the preparation and distribution of one or more Preliminary Official Statement(s), Official Statement(s) (or supplement or update thereto) or other disclosure documents in connection with the marketing and sale of each series of the Bonds. The Chairperson or Vice Chairperson, as applicable, of the Board, is hereby authorized and directed to execute and deliver any Official Statement on behalf of the Township.

Section 22. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of this Township that the remainder of this Ordinance shall remain in full force and effect.

Section 23. All ordinances or resolutions or parts of ordinances or resolutions, insofar as the same shall be inconsistent herewith, shall be and the same expressly hereby are repealed.

Section 24. All actions heretofore taken by proper officers and officials of the Township in connection with the foregoing are hereby ratified and confirmed.

Section 25. This Ordinance shall be effective in accordance with the Act.

DULY ENACTED THIS 9TH DAY OF NOVEMBER, 2020, BY THE BOARD OF SUPERVISORS OF THE TOWNSHIP OF EXETER, BERKS COUNTY, PENNSYLVANIA, IN LAWFUL SESSION DULY ASSEMBLED.

**TOWNSHIP OF EXETER,
Berks County, Pennsylvania**

By: _____
(Vice) Chairperson

(SEAL)

Attest: _____
(Assistant) Secretary

EXHIBIT "A"

(FORM OF GENERAL OBLIGATION BOND)

**TOWNSHIP OF EXETER
BERKS COUNTY, PENNSYLVANIA**

**GENERAL OBLIGATION BOND,
SERIES OF [ADD APPROPRIATE SERIES/SUBSERIES DESIGNATION]**

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE OF SERIES</u>	<u>CUSIP</u>
_____ %	August 1, _____	_____, ____	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS (\$_____)

KNOW ALL MEN BY THESE PRESENTS, that the Township of Exeter, Berks County, Pennsylvania (the "Township"), a Township existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), for value received, hereby acknowledges itself to be indebted and promises to pay to the order of the registered owner hereof, on the maturity date stated hereon (or upon prior redemption, as hereinafter provided), upon presentation and surrender hereof at the designated corporate trust office of the Paying Agent (hereinafter defined), the principal sum set forth above and to pay semiannually on February 1 and August 1 of each year prior to maturity or redemption (each an "Interest Payment Date"), commencing on the first Interest Payment Date occurring after the date of issuance of this Bond (hereinafter defined), to the registered owner hereof, interest on such principal sum, at the rate per annum stated hereon, from the Interest Payment Date next preceding the date of registration and authentication of this General Obligation Bond, Series of [add appropriate series/subseries designation] (the "Bond"), unless: (a) this Bond is registered and authenticated as of an Interest Payment Date, in which event this Bond shall bear interest from such Interest

Payment Date; or (b) this Bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding Interest Payment Date in which event such Bond shall bear interest from such Interest Payment Date; or (c) this Bond is registered and authenticated on or prior to the Record Date preceding the first Interest Payment Date occurring after the date of issuance of this Bond, in which event such Bond shall bear interest from the date of issuance; or (d) as shown by the records of U.S. Bank National Association, as paying agent, a corporate trust office of which is located in the City of Philadelphia, Philadelphia County, Pennsylvania, or its successor (the "Paying Agent"), interest on such Bond shall be in default, in which event such Bond shall bear interest from the date on which interest was last paid on such Bond. Interest on each Bond is payable by check drawn on the Paying Agent, which shall be mailed to the registered owner whose name and address shall appear, at the close of business on the fifteenth (15th) day (whether or not a business day) next preceding each Interest Payment Date (the "Record Date"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of the Bond subsequent to such Record Date and prior to such Interest Payment Date, unless the Township shall be in default in payment of interest due on such Interest Payment Date. In the event of any such default, such defaulted interest shall be payable to the person in whose name the Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent to the registered owners of Bonds (hereinafter defined) not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing. Interest on the Bonds will be calculated based upon a year of twelve (12) thirty (30) day months and 360 days.

Notwithstanding the foregoing, so long as the Bonds are registered in the name of The Depository Trust Company (“DTC”), or any nominee thereof, including, without limitation, CEDE & Co., its nominee, to the extent available, the Paying Agent shall transfer: (i) on each Interest Paying Date, the amount of interest due on each such date to DTC; and (ii) on each date when principal is due to be paid, upon surrender of the Bonds maturing on such date, the amount of principal due on each such date to DTC, at the principal office of DTC, which amounts so transferred shall be, on the interest and principal payment date, either immediately available or “good funds next day.” All payments made by the Paying Agent to DTC or its nominee shall fully satisfy the Township’s obligations to pay principal of and interest on the Bonds to the extent of such payments, and no beneficial owner of any interest in any Bond registered in the name of DTC or its nominee shall have any recourse against the Township hereunder for any failure by DTC or any direct or indirect participant therein to remit such payments to any beneficial owner of such Bonds.

Whenever the due date for payment of interest on or principal of the Bonds or the date fixed for redemption of any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or executive order to close, then payment of such interest, principal, or redemption price need not be made on any such date, but may be made on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or executive order to close, with the same force and effect as if made on the due date for payment of principal, interest or redemption price and no interest shall accrue thereon for any period after such due date.

This Bond is one of a series of bonds of the Township known generally as “General Obligation Bonds, Series of [add appropriate series/subseries designation],” (the “Bonds”), issued by the Township in the aggregate principal amount of _____ Dollars (\$_____). [Concurrently with the issuance of the Bonds, the Township is issuing its General Obligation Bonds, Series of [add appropriate series/subseries designation] in the aggregate principal amount of _____ Dollars (\$_____)].

The Bonds are in the fully registered form, without coupons, and have been authorized and issued in accordance with the Local Government Unit Debt Act of the Commonwealth, 53 Pa. C.S. Chs. 80-82 (the “Act”), without the assent of the electors, pursuant to an ordinance (the “Ordinance”) of the Board of Supervisors of the Township. The terms and provisions of the Ordinance are hereby incorporated by reference as if set forth fully herein.

The Township has covenanted in the Ordinance, to and with the registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, pursuant to the Ordinance, that the Township shall: (i) include the amount of the debt service for the Bonds, for each fiscal year in which such sums are payable in its budget for that fiscal year; (ii) appropriate from its general revenues in each fiscal year the amount required to pay debt service on the Bonds for such year; and (iii) duly and punctually pay or cause to be paid from the sinking fund established under the Ordinance or any other of its revenue or funds, the principal amount of and interest on each of the Bonds at the dates and place and in the manner stated therein, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the Township has pledged and does pledge, irrevocably, its full faith, credit and taxing power.

[In the Ordinance, the Township has covenanted that it will not take any action, if any such action or failure to take action would adversely affect the exclusions from gross income of

the interest on the Bonds under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) and that it will not directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds, or take or omit to take any action that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.]

[In accordance with Section 265(b)(3)(D) of the Code, the Township has designated or deemed designated each of the Bonds as a “qualified tax-exempt obligation” as defined in and for purposes of the Code.]

This Bond shall not be entitled to any benefit under the Ordinance nor shall it be valid, obligatory or enforceable for any purpose until this Bond shall have been authenticated by the Paying Agent.

The Bonds maturing on and after August 1, _____, are subject to redemption prior to maturity, at the option of the Township, in whole, or in part (in any order of maturity selected by the Township), at any time on or after _____, _____, at a price equal to 100% of the principal amount of the Bonds to be redeemed and accrued interest thereon to the date fixed for such optional redemption. In the event that less than all Bonds of a particular maturity are to be redeemed, the Bonds of such maturity to be redeemed shall be drawn by lot by the Paying Agent.

The Bonds stated to mature on August 1, _____, are subject to mandatory sinking fund redemption prior to maturity on August 1 of the following years (at a price equal to the principal amount of the Bonds called for mandatory redemption plus accrued interest thereon to the date fixed for such mandatory redemption) in the principal amounts set forth on the following schedule, as drawn by lot by the Paying Agent:

<u>Year</u>	<u>Principal Amount</u>
-------------	-------------------------

[TO FOLLOW]

*Maturity.

In lieu of any such mandatory redemptions, the Paying Agent, on behalf of and as directed in writing by the Township, may purchase, from money in the appropriate account of the Sinking Fund, or the Township may tender to the Paying Agent, all or part of the Bonds subject to mandatory redemption in any such year, so long as such directions are received by the Paying Agent not later than ninety (90) days prior to the date of any such mandatory redemption.

If a Bond is of a denomination larger than \$5,000, a portion of such Bond may be redeemed. For the purposes of redemption, such Bond shall be treated as representing that number of Bonds which is obtained by dividing the principal amount thereof by \$5,000, each \$5,000 portion of such Bond being subject to redemption. In the event of a partial redemption of a Bond, payment of the redemption price shall be made only upon surrender of such Bond in exchange for Bonds of the same series of authorized denominations and in an aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

Any redemption of Bonds shall be upon notice effected by mailing a copy of the redemption notice by first class mail, such notice to be deposited in first class mail not more than forty-five (45) days nor less than thirty (30) days prior to the date fixed for redemption, addressed to the registered owners of the Bonds to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the date the Bonds are selected for redemption; provided however, that failure to give such notice by mailing, or any defect therein or in the mailing thereof, shall not affect the validity of any proceeding for redemption of other Bonds called for redemption as to which proper notice has been given. Such notice shall be given in the name of the Township, shall identify the Bonds (and series thereof) to be redeemed (and, in the case of a partial redemption of any Bonds, the respective principal amounts thereof to be

redeemed), shall specify the redemption date and the redemption price, and shall state that on the redemption date the Bonds called for redemption will be payable at the designated corporate trust office of the Paying Agent and that interest will cease to accrue from the date of redemption. The Paying Agent may use "CUSIP" numbers (if then generally in use) in notices of redemption as a convenience to registered owners of the Bonds, provided that any such notice shall state that no representation is made as to the correctness of such numbers either as printed on the Bonds or as contained in any notice of redemption and that reliance may be placed only on the identification numbers printed on the Bonds.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal and accrued interest being held by the Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Ordinance, and registered owners of such Bonds or portions thereof so called for redemption shall have no rights with respect to such Bonds, except to receive payment of the principal of and accrued interest on such Bonds to the date fixed for redemption.

If at the time of mailing of any notice of redemption, this Township shall not have deposited with the Paying Agent moneys or obligations, the principal of or interest on which will be sufficient to redeem the Bonds so called for redemption, such notice may state that it is conditional and that it is subject to the deposit of redemption moneys with the Paying Agent not later than the redemption date, and such redemption notice shall be of no effect unless such moneys are so deposited.

This Bond may be transferred or exchanged by the registered owner hereof only upon surrender of this Bond to the Paying Agent at its corporate trust office located in Philadelphia,

Pennsylvania, or at such other corporate trust office designated by the Paying Agent, when duly endorsed or accompanied by a written instrument or instruments of transfer in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of this Bond or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of this Bond in the registration books maintained by the Paying Agent and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of the same series and of authorized denominations of the same maturity and form for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. After delivering such new Bonds the Paying Agent may destroy the Bond surrendered for transfer. The Township and the Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Township and the Paying Agent shall not be affected by any notice to the contrary. All payments made to the registered owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the Township upon the Bond as paid.

The Township and the Paying Agent shall not be required to issue or to register the transfer or exchange of any Bonds: (a) then considered for redemption during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to be redeemed and ending at the close of business on the day on which the applicable notice of redemption is given; or (b) selected for redemption in whole or in part until after the redemption date. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations, of the same maturity and interest rate.

The Township has caused CUSIP numbers to be printed on the Bonds as a convenience to bondholders. No representation is made as to the accuracy of such numbers as printed on the Bonds.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Ordinance, against any member of the Board of Supervisors of the Township, officer or employee, past, present, or future, of the Township or of any successor body, as such, either directly or through the Township or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

It is hereby certified that the approval of the Department of Community and Economic Development of the Commonwealth for the Township to issue and deliver this Bond has been duly given pursuant to the Act; that all acts, conditions and things required by the laws of the Commonwealth to exist, to have happened or to have been performed precedent to or in connection with the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner required by law; that this Bond, together with all other indebtedness of the Township is within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth; that the Township has established with the Paying Agent, as Sinking Fund Depository, a sinking fund for the Bonds and shall deposit therein amounts sufficient to pay the principal of and interest on the Bonds as the same shall become due and payable; and that for the prompt and full

payment of all obligations of this Bond, the full faith, credit and taxing power of the Township are hereby irrevocably pledged.

STATEMENT OF INSURANCE

IN WITNESS WHEREOF, Township of Exeter, Berks County, Pennsylvania has caused this Bond to be executed in its name and on its behalf by the manual signature of the Chairperson of the Board of Supervisors of the Township its corporate seal to be hereunder affixed, duly attested by the manual signature of the Secretary of the Township, all as of the ____ day of _____, ____.

**TOWNSHIP OF EXETER,
Berks County, Pennsylvania**

By: _____
Chairperson

Attest: _____
Secretary

**CERTIFICATE OF AUTHENTICATION,
CERTIFICATE AS TO OPINION AND
CERTIFICATE AS TO INSURANCE**

It is certified that:

(i) This Bond is one of the Bonds described in the within mentioned Ordinance;

(ii) The text of the Opinion attached to this Bond is a true and correct copy of the text of the original opinion issued by Eckert Seamans Cherin & Mellott, LLC, Philadelphia, Pennsylvania, as Bond Counsel, dated and delivered on the date of the original delivery of, and payment for, such Bonds, an executed original of which opinion is on file at our corporate trust office located in the City of Philadelphia, Philadelphia County, Pennsylvania, and may be inspected thereat; and

(iii) [The Statement of Insurance printed on this Bond refers to a policy of municipal bond insurance issued by _____, a copy of which policy is on file at our corporate trust office located in the City of Philadelphia, Philadelphia County, Pennsylvania and may be inspected thereat.]

U.S. BANK NATIONAL ASSOCIATION, as
Paying Agent

By: _____
Authorized Officer

Date of Registration and Authentication:

ASSIGNMENT

FOR VALUE RECEIVED, _____ (the "Transferor"), the

undersigned, hereby sells, assigns and transfers unto

_____ (the "Transferee")
Name

Address

Social Security or Federal Employer Identification No. _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ as attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed:

NOTICE: signature(s) must be guaranteed by a member of the New York Stock Exchange or a bank or a trust company

NOTICE: No transfer will be made in the name of the Transferee, unless the signature(s) to this assignment correspond(s) with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the social Security or Federal Employer Identification Number of the Transferee is supplied. If the Transferee is a trust, the names and Social Security or Federal Employer Identification Numbers of the settlor and beneficiaries of the trust, the Federal Employer Identification Number and the date of the trust and the name of the trustee should be applied

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC, TO THE TOWNSHIP OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO CEDE & CO. (OR TO SUCH OTHER ENTITY AS IS REQUIRED BY AN AUTHORIZED REPRESENTATIVE OF DTC) ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO. HAS AN INTEREST HEREIN.

(END OF FORM OF GENERAL OBLIGATION BOND)