

RESOLUTION 2019-33

TOWNSHIP OF EXETER, BERKS COUNTY, PENNSYLVANIA

WHEREAS, the Township of Exeter, Berks County, Pennsylvania (the “Township”) is a political subdivision organized and existing under the laws of the Commonwealth of Pennsylvania (the “Commonwealth”); and

WHEREAS, this Township has heretofore issued its General Obligation Bonds, Series A of 2015, in the original principal amount of \$9,755,000 (the “2015 Bonds”); and

WHEREAS, this Township has also heretofore issued its General Obligation Bonds, Series of 2016, in the original principal amount of \$7,005,000 (the “2016 Bonds”); and

WHEREAS, this Township now desires to: (i) set forth its intention to use certain funds which have arisen as a result of the sale by this Township of its wastewater treatment and collection system available to defease all or a portion, as applicable, of the outstanding principal of and interest due on: (a) the 2015 Bonds stated to mature or subject to mandatory sinking fund redemption on August 1 of the years 2040 and 2043, respectively, in an aggregate principal amount of \$1,475,000 (the “2015 Defeased Bonds”); and (b) the 2016 Bonds stated to mature or subject to mandatory sinking fund redemption on August 1 of years 2042 and 2046, respectively, in an aggregate principal amount of \$2,850,000 (the “2016 Defeased Bonds”, and together with the 2015 Defeased Bonds, the “Defeased Bonds”); and (ii) take all actions necessary in connection therewith, in accordance with the terms and provisions of the Defeased Bonds and the ordinance of the Township pursuant to which the 2015 Bonds were issued, which was enacted on November 2, 2015 (the “2015 Ordinance”) and the ordinance of the Township pursuant to which the 2016 Bonds were issued, which was enacted on February 8, 2016 (the “2016 Ordinance”); and

WHEREAS, this Township desires to enter into one or more Escrow Deposit Agreements (collectively, the “Escrow Agreement”) with U.S. Bank National Association, as escrow agent (the “Escrow Agent”), pursuant to which certain funds of the Township available for the purpose shall be deposited and invested to provide funds for the payment of: (i) the interest due on the 2015 Defeased Bonds, as the same becomes due and payable through and including February 1, 2021 (the “2015 Defeased Bonds Call Date”), and on the 2015 Defeased Bonds Call Date to redeem the outstanding principal amount of the 2015 Defeased Bonds; and (ii) the interest due on the 2016 Defeased Bonds, as the same becomes due and payable through and including August 1, 2021 (the “2016 Defeased Bonds Call Date”), and on the 2016 Defeased Bonds Call Date to redeem the outstanding principal amount of the 2016 Defeased Bonds.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the **TOWNSHIP OF EXETER, BERKS COUNTY, PENNSYLVANIA**, in lawful session duly assembled, as follows:

1. This Township determines to use certain funds available for the purpose to: (i) defease the interest due on the 2015 Defeased Bonds as the same becomes due and payable through and including the 2015 Call Date and on the 2015 Call Date to redeem the outstanding principal amount of the 2015 Defeased Bonds; and (ii) defease the interest due on the 2016 Defeased Bonds as the same becomes due and payable through and including the 2016 Call Date and on the 2016 Call Date to redeem the outstanding principal amount of the 2016 Defeased Bonds

2. On the date selected for the consummation of the defeasance of the principal of and interest due on the Defeased Bonds (the “Settlement Date”), this Township shall deposit or cause to be deposited with the Escrow Agent an amount of funds, which, when held as cash or invested in direct obligations of the United States of America and applied by the Escrow Agent in

accordance with the terms and provisions of the Escrow Agreement, shall be sufficient to pay the interest due on the 2015 Defeased Bonds and the 2016 Defeased Bonds, respectively, as the same becomes due and payable through and including the 2015 Call Date and the 2016 Call Date, respectively, and on the 2015 Call Date and the 2016 Call Date, respectively, to redeem the outstanding principal of the 2015 Defeased Bonds and the 2016 Defeased Bonds, respectively, in accordance with the terms thereof and of the 2015 Ordinance and the 2016 Ordinance, respectively, all as shall be more fully set forth in the Escrow Agreement.

3. The Escrow Agreement shall be in substantially the form presented to the Board of Supervisors (the "Board") of this Township at this meeting, which form is approved, together with such changes, if any, as may be approved by officers of this Township executing the same, whose execution thereof shall be deemed to be conclusive evidence of such approval. The Chairperson or Vice Chairperson, as applicable, of the Board of this Township is authorized and directed to execute and deliver the Escrow Agreement on behalf of this Township and the Secretary or Assistant Secretary, as applicable, is authorized to attest said signature and to affix the seal of this Township to the Escrow Agreement.

4. The 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.

5. The Board of this Township hereby authorizes and directs its officers, agents and employees to execute all agreements, documents and other instruments and take all actions necessary in order to effect the execution of the Escrow Agreement and the defeasance of the Defeased Bonds, in the manner described herein and in the Escrow Agreement.

6. In accordance with the Local Government Unit Debt Act of the Commonwealth, 53 Pa. C.S. Chs. 80-82, it is the intention of this Township that the 2015 Defeased Bonds and the

2016 Defeased Bonds, respectively, shall no longer be “outstanding” under the 2015 Ordinance and the 2016 Ordinance, respectively, from and after the Settlement Date. Proper officers, agents or employees of this Township are authorized and directed to send any and all information deemed necessary to the Pennsylvania Department of Community and Economic Development in order that its records may be revised to indicate that the 2015 Defeased Bonds and the 2016 Defeased Bonds, respectively, are no longer outstanding under the 2015 Ordinance and the 2016 Ordinance, respectively.

7. The Secretary or Assistant Secretary of this Township is directed to notify U.S. Bank National Association, the paying agent for the 2015 Defeased Bonds and the 2016 Defeased Bonds (the “Paying Agent”) and the Escrow Agent of the actions taken and authorized in this Resolution by delivering to the Paying Agent and the Escrow Agent a copy of this Resolution, duly certified by the Secretary or Assistant Secretary under the official seal of this Township.

8. Proper officers of this Township are authorized and directed to execute and to deliver such documents and to do such things as may be necessary to carry out the intent and purpose of this Resolution, including, but not limited to the hiring of a verification agent to verify, among other things, the sufficiency of the amount of funds deposited pursuant to the Escrow Agreement to pay the interest due on the Defeased Bonds as it becomes due and payable, and on the 2015 Defeased Bonds Call Date and the 2016 Defeased Bonds Call Date, respectively, to redeem the principal of the 2015 Defeased Bonds and the 2016 Defeased Bonds, respectively.

9. This Resolution shall become effective in accordance with the laws of the Commonwealth.

10. In the event any provision, section, sentence, clause or part of this Resolution shall be held invalid, such invalidity shall not affect or impair any remaining provision, section,

sentence, clause or part of this Resolution, it being the intent of this Township that such remainder shall be and shall remain in full force and effect.

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

DULY ADOPTED THIS 12TH DAY OF NOVEMBER, 2019.

**TOWNSHIP OF EXETER, BERKS COUNTY,
PENNSYLVANIA**

By: 

(Vice) Chairperson

Attest: 

(Assistant) Secretary

(SEAL)