

COUNTY OF UNION
Commonwealth of Pennsylvania

ORDINANCE

AN ORDINANCE

OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, COMMONWEALTH OF PENNSYLVANIA (THE "COUNTY") AUTHORIZING AND DIRECTING ISSUANCE OF GENERAL OBLIGATION DEBT, AS PERMITTED BY AND PURSUANT TO THE LOCAL GOVERNMENT UNIT DEBT ACT, 53 P.A.C.S. § 8001 *ET SEQ.*, AS AMENDED (THE "DEBT ACT"), IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$10,968,000, TO BE EVIDENCED BY THE FOLLOWING TWO SERIES OF GENERAL OBLIGATIONS: (I) GENERAL OBLIGATION NOTE, SERIES OF 2021 (FEDERALLY TAXABLE), IN THE PRINCIPAL AMOUNT OF \$3,912,000 (THE "SERIES 2021 NOTE") FOR THE PURPOSE OF PROVIDING FUNDS TO BE APPLIED FOR AND TOWARD: (A) REFUNDING THE COUNTY'S GENERAL OBLIGATION BONDS, SERIES A OF 2010 (FEDERALLY TAXABLE) (THE "2010A BONDS"); AND (B) PAYING THE COSTS OF ISSUING THE SERIES 2021 NOTE; AND (II) GENERAL OBLIGATION NOTE, SERIES A OF 2021, IN THE PRINCIPAL AMOUNT OF \$7,056,000 (THE "SERIES 2021A NOTE" AND TOGETHER WITH THE SERIES 2021 NOTE, COLLECTIVELY, THE "NOTES") FOR THE PURPOSE OF PROVIDING FUNDS TO BE APPLIED FOR AND TOWARD: (A) REFUNDING THE COUNTY'S GENERAL OBLIGATIONS BONDS, SERIES OF 2012 (THE "2012 BONDS") AND GENERAL OBLIGATION BONDS, SERIES OF 2015 (THE "2015 BONDS" AND TOGETHER WITH THE 2010A BONDS AND THE 2012 BONDS, COLLECTIVELY, THE "PRIOR BONDS"); AND (B) PAYING THE COSTS OF ISSUING THE SERIES 2021A NOTE; DETERMINING THAT SUCH DEBT SHALL BE NONELECTORAL DEBT OF THE COUNTY; DETERMINING THAT EACH OF THE NOTES SHALL BE SOLD AT PRIVATE SALE BY INVITATION; AUTHORIZING ACCEPTANCE OF NOTE PURCHASE PROPOSALS FOR PURCHASE OF THE NOTES AT PRIVATE SALE BY INVITATION, AND AWARDED THE NOTES AND SETTING FORTH RELATED PROVISIONS; PROVIDING FOR MATURITIES AND INTEREST RATES OF THE NOTES; APPOINTING A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITORY FOR EACH OF THE NOTES; PROVIDING FOR THE TERMS OF THE NOTES INCLUDING DATED DATE, DENOMINATIONS, AND INTEREST PAYMENT DATES; PROVIDING FOR THE REGISTRATION AND TRANSFER OF THE NOTES; AUTHORIZING THE EXECUTION AND DELIVERY OF THE NOTES; PROVIDING THAT THE SERIES 2021A NOTE WHEN ISSUED, SHALL BE A TAX-EXEMPT, GENERAL OBLIGATION OF THE COUNTY; COVENANTING TO PAY DEBT SERVICE AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER FOR THE PAYMENT OF THE NOTES; SETTING FORTH THE OPTIONAL PREPAYMENT AND ANNUAL PRINCIPAL AMORTIZATION PROVISIONS OF THE NOTES; CREATING SINKING FUNDS IN CONNECTION WITH EACH OF THE NOTES AS REQUIRED BY THE DEBT ACT; APPROPRIATING PROCEEDS OF THE NOTES; SETTING FORTH CERTAIN COVENANTS RELATING TO THE NON-ARBITRAGE STATUS OF THE SERIES 2021A NOTE; RATIFYING PRIOR ADVERTISEMENT AND DIRECTING FURTHER ADVERTISEMENT; AUTHORIZING AND DIRECTING THE PREPARATION, EXECUTION AND FILING OF A TRANSCRIPT OF PROCEEDINGS WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, INCLUDING A DEBT STATEMENT AND BORROWING BASE CERTIFICATE; AUTHORIZING AND DIRECTING OFFICERS AND OFFICIALS OF THE COUNTY TO EXECUTE AND DELIVER DOCUMENTS AND TO TAKE SUCH ACTION AS MAY BE NECESSARY RELATING TO THE ISSUANCE OF THE NOTES; CREATING A CLEARING ACCOUNT FOR EACH OF THE NOTES; SETTING FORTH CERTAIN PROVISIONS AND COVENANTS RELATING TO THE REFUNDING OF THE PRIOR BONDS; AUTHORIZING AND DIRECTING THE IRREVOCABLE APPLICATION OF PROCEEDS OF THE NOTES TO PAY THE PRINCIPAL OF, TOGETHER WITH INTEREST ACCRUED ON, THE PRIOR BONDS THROUGH THE DATE OF REDEMPTION; AUTHORIZING THE PAYMENT OF EXPENSES; PROVIDING GUIDELINES FOR PERMITTED INVESTMENTS; PROVIDING FOR THE AUTHORIZATION OF OFFICERS; RATIFYING AND CONFIRMING AUTHORIZATION TO THE COUNTY SOLICITOR, FINANCIAL ADVISOR, PLACEMENT AGENT AND NOTE COUNSEL; PROVIDING FOR SEVERABILITY OF PROVISIONS HEREOF; AND REPEALING ALL OTHER INCONSISTENT ORDINANCES OR PORTIONS THEREOF.

ENACTED MARCH 16, 2021

WHEREAS, The County of Union, Commonwealth of Pennsylvania (the "County"), is a county and political subdivision existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth") and is a Local Government Unit, as defined in the Local Government Unit Debt Act, 53 Pa.C.S. § 8001 *et seq.*, as amended and supplemented (the "Debt Act"); and

WHEREAS, The County, by ordinance duly enacted on June 11, 2010 (the "2010 Ordinance"), heretofore issued its General Obligation Bonds, Series A of 2010 (Federally Taxable), in the aggregate principal amount of \$8,635,000 (the "2010A Bonds"), for the purpose of refunding the County's General Obligation Bonds, Series A of 1998 (Federally Taxable) (the "1998A Bonds"); and

WHEREAS, The County, by ordinance duly enacted on October 6, 1998 (the "1998 Ordinance"), heretofore issued the 1998A Bonds for the purpose of lending the proceeds to the Union County Industrial Development Corporation for providing permanent financing of Phase I of the business park, including repayment and redemption of federally taxable interim note issued in 1997 for the same purpose (the "1998 Development Project"); and

WHEREAS, The County, by enactment of the 1998 Ordinance authorizing, *inter alia*, issuance of the 1998A Bonds, established the useful life of the 1998 Development Project to be, at least, thirty (30) years based on an estimated completion date of November of 2000; and

WHEREAS, The County, by ordinance duly enacted on May 15, 2012 (the "2012 Ordinance"), heretofore issued its General Obligation Bonds, Series of 2012, in the maximum aggregate principal amount of \$3,500,000 (the "2012 Bonds"), for the purpose of refunding the County's General Obligation Bonds, Series of 2007 (the "2007 Bonds"); and

WHEREAS, the County, by ordinance duly enacted on June 5, 2007 (the "2007 Ordinance"), heretofore issued the 2007 Bonds for the purpose of financing certain Refunding Projects, including, but not limited to, (1) the planning, design, purchase, acquisition, construction and placement of improvements, enhancements and upgrades to, and the expansion of, the County's emergency communication (911) system, including as part thereof, but not limited to (a) the acquisition of real property and the construction thereon of a communication tower and service building, (b) retrofitting and enhancing all of the County's existing towers, and their service buildings, (c) system-wide microwave and radio enhancements upgrades, and (d) the installation of system equipment, computer hardware and software, and (2) paying related costs and expenses (the "2007 Capital Project"); and

WHEREAS, The County, by enactment of the 2007 Ordinance authorizing, *inter alia*, issuance of the 2007 Bonds, established the useful life of the 2007 Capital Project to be, at least, thirty (30) years based on an estimated completion date of May 1, 2008; and

WHEREAS, The County, by ordinance duly enacted on April 7, 2015 (the "2015 Ordinance"), heretofore issued its General Obligation Bonds, Series of 2015, in the maximum aggregate principal amount of \$9,000,000 (the "2015 Bonds"), for the purpose of refunding the County's General Obligation Bonds, Series B of 2010 (the "2010B Bonds"); and

WHEREAS, The County, pursuant to the 2010 Ordinance, heretofore issued the 2010B Bonds for the purpose of financing (i) the current refunding and redemption of all of the County's General Obligation Bonds, Series B of 1998 (the "1998 Bonds"), and (ii) the improvement, upgrade and enhancement of the County's emergency radio communications system, comprised of multiple component parts, some permanent fixtures at numerous locations throughout the County and others being mobile components (the "2010B Capital Project"); and

WHEREAS, The County, by enactment of the 2010 Ordinance authorizing, *inter alia*, issuance of the 2010B Bonds, established the useful life of the 2010B Capital Project to be, at least, twenty (20) years based on an estimated completion date of June 1, 2012; and

WHEREAS, The County, pursuant to the 1998 Ordinance, heretofore issued the 1998B Bonds for the purpose of financing the 1998 Development Project; and

WHEREAS, The Board of Commissioners of the County has determined to incur nonelectoral, general obligation debt in an aggregate principal amount not to exceed \$10,968,000, in accordance with the terms and provisions of this Ordinance and the Debt Act; and

WHEREAS, The aforementioned debt shall be evidenced by general obligations, in the aggregate principal amount not to exceed \$10,968,000, consisting of the County's General Obligation Note, Series of 2021 (Federally Taxable), in the principal amount of \$3,912,000 (the "Series 2021 Note"), and its General Obligation Note, Series A of 2021, in the principal amount of \$7,056,000 (the "Series 2021A Note" and together with the Series 2021 Note, collectively, the "Notes"); and

WHEREAS, Proceeds of the Series 2021 Note, issued in the aforementioned maximum principal amount, or so much thereof as is necessary, and after payment of issuance costs, shall be applied to finance the current refunding the 2010A Bonds (the "2021 Note Refunding Project"); and

WHEREAS, Proceeds of the Series 2021A Note, issued in the aforementioned maximum principal amount, or so much thereof as is necessary, and after payment of issuance costs, shall be applied to finance the current refunding of the 2012 Bonds and 2015 Bonds (the "2021A Note Refunding Project" and together with the "2021 Note Refunding Project", collectively, the "Refunding Project"); and

WHEREAS, The 2021 Refunding Project, together with the payment of the costs of issuance of the Notes, are referred to herein as the "2021 Project"; and

WHEREAS, The County has heretofore authorized Stifel, Nicolaus & Company, Incorporated, to act as its placement agent with respect to the Notes ("Placement Agent"); and

WHEREAS, The Placement Agent, in consultation with PFM Financial Advisors LLC who serves as financial advisor to the County (the "Financial Advisor"), at the direction of the County, circulated a Private Placement Term Sheet on February 10, 2021, to banks and financial institutions, has solicited proposals for the purchase of the Notes; and

WHEREAS, Key Government Finance, Inc. (the "Purchaser") has presented to the County a written proposal as its contract for the purchase of the Notes (the "Note Purchase Proposals"), which the County, in consultation with the Financial Advisor, has determined is in the best financial interest of the County; and

WHEREAS, The County has heretofore authorized Eckert Seamans Cherin & Mellott, LLC, of Harrisburg, Pennsylvania, to act as its note counsel with respect to legal matters associated with the financing of the 2021 Project; and

WHEREAS, The Board of Commissioners of the County desires to authorize and approve the 2021 Project, the issuance of the Notes, the acceptance of the Note Purchase Proposals, the award the Notes to the Purchaser, the incurrence of nonelectoral, general obligation debt, in the aggregate principal amount not to exceed \$10,968,000, pursuant to this Ordinance and the provisions of the Debt Act, and to authorize and direct such further acts and action that are necessary and proper for the County to undertake the issuance of the Notes and the 2021 Project; and to authorize such further provisions as are required by law for the issuance of general obligation debt and further actions by its officers, solicitor, Financial Advisor, Placement Agent, and note counsel consistent with this Ordinance, the Debt Act, and all other applicable law.

NOW, THEREFORE, BE IT AND IT HEREBY IS ORDAINED, by the Board of Commissioners of the County of Union that:

Section 1. The 2021 Project.

The County hereby approves and undertakes as a project the 2021 Project. The description of the 2021 Project contained in the Recitals to this Ordinance is hereby incorporated into and made a part of this Section by reference as if set out at length. Terms defined in the Recitals to this Ordinance are hereby incorporated into and made a part of this Section by reference as if set out at length. Such terms as hereafter used in this Ordinance shall have the meaning as defined in the Recitals.

Section 2. Incurrence of Indebtedness and Purpose.

For the purpose of providing funds for and toward the payment of costs, as such term is used in the Debt Act, of the 2021 Project, the incurring of nonelectoral debt by the County in the aggregate principal amount of \$10,968,000 is hereby authorized. Such debt shall be evidenced by the issuance of nonelectoral, general obligations of the County designated as (i) "County of Union, General Obligation Note, Series of 2021 (Federally Taxable)", in the principal amount of \$3,912,000 (the "Series 2021 Note"), and (ii) "County of Union, General Obligation Note, Series A of 2021", in the principal amount of \$7,056,000 (the "Series 2021A Note", and together with the Series 2021 Note, collectively, the "Notes"). The debt evidenced by the Notes is being incurred for the purpose of financing the costs of the 2021 Project.

Section 3. Approval of Private Sale by Invitation.

After considering the advantages and disadvantages of the various methods of sale of the Notes permitted by the Debt Act and of current market conditions, the Board of Commissioners hereby determines that a private sale by invitation is in the best financial interest of the County.

Section 4. Acceptance of Note Purchase Proposals.

The Note Purchase Proposals for the Notes presented by the Purchaser to the County at the meeting at which this Ordinance has been enacted are hereby accepted. Sale of the Notes is hereby awarded and sold to the Purchaser at an invited sale at the prices stated on Schedule A and Schedule B, which are attached hereto and incorporated herein by reference as if set out here at length. The Chairman of the Board of Commissioners of the County and the Chief Clerk, or the assistant or deputy Chief Clerk, being proper officers of the County ("Proper Officers"), are authorized and directed to execute, attest and affix the Seal of the County to the accepted Note Purchase Proposals, and thereafter to deliver or cause the delivery of the accepted Note

Purchase Proposals to the Purchaser. Hereinafter, each of the Note Purchase Proposals shall be referred to as the “Note Purchase Contracts”.

Section 5. Maturities and Interest Rates.

(a) The Series 2021 Note shall bear interest from the date of delivery thereof to August 1, 2026, the maturity date, or repayment in full thereof, at the federally taxable fixed rate equal to 1.167% per annum. The Series 2021 Note shall mature and shall be sold, as set forth at Schedule A, attached hereto and incorporated herein by reference.

(b) The Series 2021A Note shall bear interest from the date of delivery thereof to May 1, 2030, the maturity date, or repayment in full thereof, at the tax-exempt fixed rate equal to 1.450% per annum. The Series 2021A Note shall mature and shall be sold, as set forth at Schedule B, attached hereto and incorporated herein by reference.

Section 6. Appointment of Paying Agent, Registrar and Sinking Fund Depository.

Susquehanna Community Bank is hereby appointed Paying Agent (the “Paying Agent”) and Registrar (the “Registrar”), and Sinking Fund Depository (the “Sinking Fund Depository”) related to the Notes and for the Series 2021 Note Sinking Fund created hereby. Proper Officers of the County are hereby authorized and directed to contract with the Paying Agent, having an office in Lewisburg, Pennsylvania, for its services as Sinking Fund Depository, Paying Agent and Registrar. The County may, by Ordinance, from time to time appoint a successor paying agent, sinking fund depository and registrar to fill a vacancy or for any other reason. Acceptance of this appointment by the Paying Agent constitutes the Paying Agent’s representation to the County that it is authorized to conduct business, and have offices, in the Commonwealth.

Section 7. Payment Dates.

The Notes shall be fully registerable as to principal and interest and shall be dated as of the date of issuance and delivery thereof, anticipated to be on or about April 20, 2021, or such other date as the County and the Purchaser shall hereafter agree (the “Closing Date”). The 2021 Note and the 2021A Note shall bear interest from the date of issuance thereof, until final maturity, at the applicable fixed rate of interest, as referenced in Section 5 hereof. The Series 2021 Note shall be payable on each February 1 and August 1 (each, an “Interest Payment Date”), beginning August 1, 2021. The Series 2021A Note shall be payable on each May 1 and November 1 (each, an “Interest Payment Date”), beginning May 1, 2021.

The principal of and interest on the Notes shall be payable in lawful moneys of the United States of America to the registered owner at the office of the Purchaser, or such other office from time to time designated by written notice to the then registered owner.

If the date for payment of the principal of or interest on such Notes shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the municipality where the office of the Paying Agent is located are authorized by law or executive order to close, then the date of such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or on a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the date fixed for such payment.

Section 8. Note Register, Registrations and Transfer.

The County shall cause to be kept at the designated office of the Paying Agent, a register (the “Note Register”) in which, subject to such reasonable regulations as it may prescribe, the County shall provide for the registration of each of the Notes and the registration of transfers of

the Notes. No transfer of the initial Notes or any subsequently issued obligation shall be valid unless made at such office and registered in the Note Register.

Upon surrender of the Notes at the designated office of the Paying Agent for registration of transfer, the County shall execute and the Paying Agent shall deliver in the name of the transferee or transferees, a new note or notes of any authorized denomination, of the same interest rate and maturity, and in the same principal amount as the Notes so surrendered. Any subsequently issued obligation or obligations constitute a Note with all the rights and privileges ascribed to the Notes pursuant to this Ordinance.

The Notes presented or surrendered for registration of transfer shall be duly endorsed, or be accompanied by a written instrument of transfer, in the form attached to the Notes, together with a guaranty of signature, duly executed by the registered owner thereof or his duly authorized agent or legal representative.

Any subsequently issued obligation issued upon any registration of transfer or exchange shall be a valid obligation of the County, evidencing the same debt and entitled to the same benefits under this Ordinance as the Note surrendered for such registration of transfer or exchange.

No service charge shall be made for any transfer of the Notes, but the County may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of the Notes.

Section 9. Execution and Registration; Delivery to the Purchaser.

(a) Execution and Registration. The Notes shall be executed on behalf of the County by the manual signature of the Chairman or Vice Chairman of the Board of Commissioners, and may be executed by the signature of any other member of the Board of Commissioners, and shall have a manual or facsimile of the corporate seal of the County affixed thereto, duly attested by the Chief Clerk and said officers are hereby authorized and directed to execute the Notes. The registration of the Notes shall be by the manual or facsimile execution of the Certificates of Registration by a duly authorized officer of the Purchaser. The Notes shall not be valid until duly executed, attested and sealed by the County and the Certificates of Registration shall have been duly executed by the Purchaser, all of the foregoing constituting conclusive proof that the Notes have been issued pursuant to this Ordinance and the Purchaser is entitled to any benefits conferred thereon under the provisions of this Ordinance.

(b) Delivery. The Chairman or Vice Chairman of the Board of Commissioners of the County and the Chief Clerk, or the Deputy Chief Clerk, or any such officers are hereby authorized and directed to deliver the Notes to the Purchaser and receive payment therefore on behalf of the County after sale of the same in the manner required by law and this Ordinance.

Section 10. General Obligation Covenant.

The Notes are hereby declared to be general obligations of the County. The County hereby covenants with the registered owner or owners, from time to time, of the Notes outstanding pursuant to this Ordinance that it will include the amount of the debt service as specified in this Section, subject to appropriate adjustment in the event of the optional prepayment of all or any portion of the Notes prior to maturity, on the Notes for each fiscal year in which such sums are payable, in its budget for that year, will appropriate such amounts for such payments and will duly and punctually pay or cause to be paid the principal of the Notes and the interest thereon on the

dates, at the places and in the manner stated therein, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the County does hereby pledge its full faith, credit and taxing power. The maximum annual amount of the debt service, which the County hereby covenants to pay on the Series 2021 Note in each year, is shown on Schedule A, which Schedule is attached hereto and incorporated herein by reference as if set out here at length. The maximum annual amount of the debt service, which the County hereby covenants to pay on the Series 2021A Note in each year, is shown on Schedule B, which Schedule is attached hereto and incorporated herein by reference as if set out here at length.

Section 11. Prepayment.

(a) Optional Prepayment. The Notes are subject to prepayment prior to maturity at the option of the County, as a whole or in part on any date upon payment of not less than \$200,000 outstanding principal amount thereof, together with accrued interest thereon to the date fixed for prepayment; provided, however, that any prepayment within the first year of the date of issuance of the Notes will be subject to a prepayment penalty of 1.00%, and thereafter, without premium or penalty.

(b) Notice. Notice, if any, with respect to any optional prepayment shall be given in the manner and at the times provided in the respective Notes.

Section 12. Sinking Funds.

(a) Deposit. There hereby are established, pursuant to Section 8221 of the Debt Act, with the Sinking Fund Depository, a sinking fund to be known as (i) "County of Union, General Obligation Note, Series of 2021 (Federally Taxable) Sinking Fund" (the "Series 2021 Note Sinking Fund"), and (ii) "County of Union, General Obligation Note, Series A of 2021 Sinking Fund" (the "Series 2021A Note Sinking Fund" and together with the Series 2021 Note Sinking Fund, collectively, the "Sinking Funds"). The County covenants to deposit, and the Treasurer is hereby authorized and directed to deposit to the respective Sinking Funds (1) on or before each Interest Payment Date, so long as the Notes remain outstanding, amounts sufficient to pay the interest due on such dates on the respective Notes then outstanding, (2) on or before August 1, 2021, and on or before each August 1 thereafter, so long as the Series 2021 Note remains outstanding, amounts sufficient to pay the principal of the Series 2021 Note due on each annual principal installment date, and (3) on or before May 1, 2021, and on or before each May 1 thereafter, so long as the Series 2021A Note remains outstanding, amounts sufficient to pay the principal of the Series 2021A Note due on each annual principal installment date.

Should the amounts covenanted to be paid into each of the Sinking Funds be, at any time, in excess of the net amounts required at such time for the payment of interest on and principal of the Notes, whether by reason of funds already on deposit in each of the Sinking Funds, or by reason of the prepayment of any portion of the outstanding principal of the Notes, or for some similar reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

(b) Application of Funds. All sums in each of the Sinking Funds shall be applied exclusively to the payment of principal and interest covenanted to be paid in Section 10, hereof, as the same from time to time become due and payable and the balance of said moneys over and above the sum so required shall remain in each of the Sinking Funds, to be applied to the reduction of future required deposits; subject, however, to investment or deposit at interest as authorized by law and as permitted by Section 23, hereof. The Note Sinking Funds shall be kept as separate accounts at the aforementioned office of the Sinking Fund Depository. The Sinking

Fund Depository, without further authorization other than as herein contained, shall pay from the moneys in the respective Note Sinking Funds, the interest on and principal of the Notes, respectively, as and when the same shall become due, to the registered owners thereof.

(c) Optional Deposits. Notwithstanding the foregoing, in the case of optional prepayment as permitted by Section 11, hereof, the Treasurer is hereby authorized and directed to deposit to each of the Sinking Funds, as appropriate, from time to time before the applicable optional prepayment date, funds in the amount which together with the interest to be earned thereon, if any, will equal the principal of such Note so prepaid, premium, if any, and the interest thereon, to the date of prepayment.

Section 13. Disposition of Proceeds.

All moneys derived from the sale of the Notes shall be deposited in the appropriate Clearing Account created pursuant to Sections 19 and 20 hereof and shall be and hereby are appropriated substantially to payment of the cost of the applicable 2021 Project, including but not limited to payment of the costs and expenses of preparing and issuing the Notes, and shall not be used for any other purposes, except as to any insubstantial amount of money which may remain after fulfilling the purposes set forth herein, which minor amount of remaining moneys shall promptly upon their determination be deposited in the appropriate Sinking Fund and used for the payment of interest on such Notes. Promptly on deposit of the proceeds of the Notes, the County shall cause to be made the payments and transfers authorized by Sections 19 and 20 of this Ordinance.

Section 14. Cost and Realistic Useful Life.

(a) Reasonable cost estimates have been obtained for the 2021 Project from persons, advisers and professional consultants, each of whom is qualified by education, training and experience to provide such estimates. The cost estimate of the 2021 Project has been estimated to be, at least, \$10,968,000.

(b) The estimated realistic useful life of the 1998 Development Project, originally financed with the proceeds of the 1998A Bonds and the 1998B Bonds, which were refunded with proceeds of the 2010A Bonds and the 2010B Bonds, respectively, which 2010A Bonds are now being refunded with proceeds of the Series 2021 Note, and which 2010B Bonds were refunded with proceeds of the 2015 Bonds, which are now being refunded with proceeds of the Series 2021A Note, is presently at least nine (9) years.

(c) The estimated realistic useful life of the 2007 Capital Project, originally financed with the proceeds of the 2007 Bonds, which were refunded with the proceeds of the 2012 Bonds, which are now being refunded with proceeds of the Series 2021A Note, is presently at least seventeen (17) years.

(d) The estimated realistic useful life of the 2010B Capital Project, original financed with proceeds of the 2010B Bonds, which were refunded with proceeds of the 2015 Bonds, which are now being refunded with proceeds of the Series 2021A Note, is presently at least eleven (11) years.

(e) The useful lives of the capital projects being refinanced with the proceeds of the Notes exceed the final maturity dates of the each of the Notes. Therefore, the principal installments of the Notes are in accordance with Section 8142(a)(2) of the Debt Act. Further, in accordance with Section 8142(b)(2) of the Debt Act, the maturities of the Notes will be fixed so

that the principal of the Notes will be amortized on an approximately level annual debt service plan, together with all other outstanding debt of the County, as shown on Schedule C attached hereto.

Section 15. Internal Revenue Code Covenants.

(a) General. The County hereby covenants with the registered owners, from time to time, of the Series 2021A Note, that no part of the proceeds of the Series 2021A Note will be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably expected on the date of issuance of the Series 2021A Note, would have caused either series of the Series 2021A Note to be an arbitrage bond within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the Regulations thereunder proposed or in effect at the time of such use and applicable to the Series 2021A Note, and that it will comply with the requirements of that section and the Regulations throughout the term of the Series 2021A Note.

(b) Rebate. If the gross proceeds of the Series 2021A Note are invested at a yield greater than the yield on the Series 2021A Note and are not expended within six months from the date of issuance or do not otherwise qualify for an exception to the rebate requirements of the Code, the County covenants that it will rebate to the U.S. Treasury, at the times and in the manner required by the Code, all investment income derived from investing the proceeds of the Series 2021A Note in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the Series 2021A Note at a yield not in excess of the yield on the Series 2021A Note.

(c) Qualified-Tax-Exempt Obligation. The County hereby designates the Series 2021A Note as a Qualified Tax-Exempt Obligation as such term is defined in and pursuant to Section 265(b)(3) of the Code.

(d) Filing. The County will file IRS Form 8038-G and any other forms or information required by the Code to be filed in order to permit the interest on the Series 2021A Note to be excluded from gross income for federal income tax purposes.

(e) The Series 2021 Note is hereby authorized for issuance as an issue not exempt from federal taxation pursuant to the Code. Accordingly, with respect to the Series 2021 Note, the County is not required to comply with Section 103 and all other applicable sections of the Code as they apply to the issuance of municipal debt the interest on which is exempt from federal taxation.

Section 16. Advertising.

The action of the officers of the County in advertising a summary of this Ordinance, as required by law, is ratified and confirmed. The officers of the County or any of them, are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in the County within fifteen (15) days after final enactment. The Chief Clerk of the County is hereby directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

Section 17. Filing with Department of Community and Economic Development.

The Chairman of the Board of Commissioners and the Chief Clerk are hereby authorized and directed to prepare, verify and file with the Department of Community and Economic Development, in accordance with the Debt Act, a transcript of the proceedings relating to the

issuance of the Notes including the Debt Statement and Borrowing Base Certificate required by Section 8110 of the Debt Act, and to take other necessary action, and to prepare and file all necessary documents with the Department of Community and Economic Development including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the Notes or other existing debt of the County outstanding under the Debt Act from the appropriate debt limit as self-liquidating or subsidized debt. The County hereby reserves the right to claim additional credits and exclusions, including exclusions for subsidized or self-liquidating debt, in the future.

Section 18. General Authorization.

Proper Officers and, as directed by Proper Officers, officials of the County are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effect the execution, issuance, sale and delivery of the Notes, all in accordance with this Ordinance.

Section 19. Series 2021 Note Clearing Account and 2010A Bonds Sinking Fund.

(a) Series 2021 Note Clearing Account. The County hereby creates with the Paying Agent a special fund to be known as the County of Union Series 2021 Note Clearing Account (the "Series 2021 Note Clearing Account"), which shall be held as a trust fund for the benefit of the County until disbursed in accordance with the provisions hereof. The County shall deliver the net proceeds derived from the sale of Series 2021 Note to the Paying Agent for deposit to the Series 2021 Note Clearing Account. Upon written directions from the County signed by the Chairman of the Board of Commissioners, the Paying Agent shall (i) pay, out of the Series 2021 Note Clearing Account, the costs and expenses of the issuance of the Series 2021 Note, and (ii) deposit into the sinking fund for the 2010A Bonds described in paragraph (b) below, such proceeds of the Series 2021 Note in the sum as specified by the County for the 2021 Refunding Project.

(b) 2010A Bonds Sinking Fund. The County directs that a portion of the proceeds of the Series 2021 Note held in the Series 2021 Note Clearing Account and designated, as part of the 2021 Refunding Project, shall be transferred to The Bank of New York Mellon Trust Company, N. A., as paying agent and sinking fund depository for the 2010A Bonds, for deposit to the sinking fund created under the 2010 Ordinance, which proceeds shall be in an amount sufficient to pay, upon deposit and without regard to any interest earned thereon or other income derived therefrom, the outstanding principal of all of the outstanding 2010A Bonds, together with accrued interest thereon to the date fixed for prepayment of the 2010A Bonds.

Section 20. Series 2021A Note Clearing Account, 2012 Bonds Sinking Fund and 2015 Bonds Sinking Fund.

(a) Series 2021A Note Clearing Account. The County hereby creates with the Paying Agent a special fund to be known as the County of Union Series 2021A Note Clearing Account (the "Series 2021A Note Clearing Account"), which shall be held as a trust fund for the benefit of the County until disbursed in accordance with the provisions hereof. The County shall deliver the net proceeds derived from the sale of Series 2021A Note to the Paying Agent for deposit to the Series 2021A Note Clearing Account. Upon written directions from the County signed by the Chairman of the Board of Commissioners, the Paying Agent shall (i) pay, out of the Series 2021A Note Clearing Account, the costs and expenses of the issuance of the Series 2021A Note, (ii) deposit into the sinking fund for the 2012 Bonds described in paragraph (b) below, such proceeds of the Series 2021A Note in the sum as specified by the County for the 2021A Refunding Project related to the refunding of the 2012 Bonds, and (iii) deposit into the sinking fund for the 2015

Bonds described in paragraph (c) below, such proceeds of the Series 2021A Note in the sum as specified by the County for the 2021A Refunding Project related to the refunding of the 2015 Bonds.

(b) 2012 Bonds Sinking Fund. The County directs that a portion of the proceeds of the Series 2021A Note held in the Series 2021A Note Clearing Account and designated, as part of the 2021A Refunding Project, shall be transferred to The Bank of New York Mellon Trust Company, N. A., as paying agent and sinking fund depository for the 2012 Bonds, for deposit to the sinking fund created under the 2012 Ordinance, which proceeds shall be in an amount sufficient to pay, upon deposit and without regard to any interest earned thereon or other income derived therefrom, the outstanding principal of all of the outstanding 2012 Bonds, together with accrued interest thereon to the date fixed for prepayment of the 2012 Bonds.

(c) 2015 Bonds Sinking Fund. The County directs that a portion of the proceeds of the Series 2021A Note held in the Series 2021A Note Clearing Account and designated, as part of the 2021A Refunding Project, shall be transferred to The Bank of New York Mellon Trust Company, N. A., as paying agent and sinking fund depository for the 2015 Bonds, for deposit to the sinking fund created under the 2015 Ordinance, which proceeds shall be in an amount sufficient to pay, upon deposit and without regard to any interest earned thereon or other income derived therefrom, the outstanding principal of all of the outstanding 2015 Bonds, together with accrued interest thereon to the date fixed for prepayment of the 2015 Bonds.

Section 21. Payment and Redemption of the 2010A Bonds, the 2012 Bonds and the 2015 Bonds.

(a) The County hereby irrevocably calls for redemption on April 20, 2021, at a price of 100% of the principal amount plus accrued interest, all 2010A Bonds maturing on and after November 1, 2021, and further irrevocably directs the payment from moneys to be available for such purpose, to pay the principal of the 2010A Bonds, together with accrued interest thereon to and including April 20, 2021, the date fixed for redemption. The County directs that appropriate call notices be published at the proper times with regard to the redemption of the 2010A Bonds.

(b) The County hereby irrevocably calls for redemption on April 20, 2021, at a price of 100% of the principal amount plus accrued interest, all 2012 Bonds maturing on and after May 1, 2021, and further irrevocably directs the payment from moneys to be available for such purpose, to pay the principal of the 2012 Bonds, together with accrued interest thereon to and including April 20, 2021, the date fixed for redemption. The County directs that appropriate call notices be published at the proper times with regard to the redemption of the 2012 Bonds.

(c) The County hereby irrevocably calls for redemption on April 20, 2021, at a price of 100% of the principal amount plus accrued interest, all 2015 Bonds maturing on and after May 1, 2021, and further irrevocably directs the payment from moneys to be available for such purpose, to pay the principal of the 2015 Bonds, together with accrued interest thereon to and including April 20, 2021, the date fixed for redemption. The County directs that appropriate call notices be published at the proper times with regard to the redemption of the 2015 Bonds.

Section 22. Payment of Expenses.

All expenses incurred in connection with issuance of the Notes, shall be paid out of the proceeds derived from the issuance of the Notes and deposited in the respective Clearing

Account and Proper Officers and officials are authorized to sign and deliver requests for payment of such expenses.

Section 23. Investment.

Any moneys in any of the Sinking Funds not required for prompt expenditure may, at the direction of the County, be invested in bonds or obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States of America or may be deposited at interest in time accounts or certificates of deposit or other interest bearing accounts of any bank or bank and trust company, savings and loan association or building and loan association. To the extent that such deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds in accordance with the Debt Act and state law. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such moneys are required to be paid to the registered owners of the Notes.

Section 24. Authorization of Proper Officers.

Any authorization granted to, power conferred on, or direction given to the Chairman of the Board of Commissioners, the County Treasurer or the Chief Clerk of the County, shall be deemed to run to the Vice Chairman, deputy or acting County Treasurer or deputy or acting Chief Clerk, respectively, as if such latter titles had been expressly included in the text hereof which grants such authorization, confers such power or gives such direction. Each of the foregoing, when acting within the authority of such office, constitutes a Proper Officer of the County and collectively, "Proper Officers" of the County.

Section 25. Forms of Notes.

The forms of the Notes shall be printed substantially in the forms set forth in Schedule D and Schedule E, respectively, attached hereto and made a part hereof, with such changes thereto as shall hereafter be made upon the advice of the County Solicitor and note counsel, approval of such changes being evidenced by the execution and attestation of the Notes by proper officers of the County.

Section 26. Financial Disclosure Covenant. The County hereby covenants to provide its audited financial statements, including operating statistics, to the Purchaser within 270 days after the end of each fiscal year.

Section 27. Ratification.

The County hereby ratifies and confirms authorization to the County Solicitor, Eckert Seamans Cherin & Mellott, LLC as note counsel to the County, the Financial Advisor, the Placement Agent and the Purchaser to undertake the necessary steps or to take necessary action relating to the issuance of the Notes.

Section 28. Severability.

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 the County that such remainder shall be and shall remain in full force and effect.

Section 29. No Waiver.

No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation under this Ordinance shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation.

Section 30. Repealer.

Any Ordinances or parts thereof not in accordance with this Ordinance are hereby repealed insofar as they conflict with this Ordinance.

[Remainder of page left blank intentionally.]

ENACTED by the Board of Commissioners of the County of Union, Commonwealth of Pennsylvania, in lawful session assembled, on this 16th day of March, 2021.

COUNTY OF UNION
Commonwealth of Pennsylvania

ATTEST:

Chairman, Board of Commissioners

Chief Clerk

Vice Chairman, Board of Commissioners

[SEAL]

Secretary, Board of Commissioners

SCHEDULE A

COUNTY OF UNION
COMMONWEALTH OF PENNSYLVANIA
GENERAL OBLIGATION NOTE, SERIES OF 2021 (FEDERALLY TAXABLE)

MAXIMUM PRINCIPAL, INTEREST RATE AND
DEBT SERVICE SCHEDULE

<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>
8/1/2021	747,000	1.167	12,808.21	759,808.21	759,808.21
2/1/2022		1.167	18,467.78	18,467.78	
8/1/2022	727,000	1.167	18,467.78	745,467.78	763,935.55
2/1/2023		1.167	14,225.73	14,225.73	
8/1/2023	749,000	1.167	14,225.73	763,225.73	777,451.46
2/1/2024		1.167	9,855.32	9,855.32	
8/1/2024	752,000	1.167	9,855.32	761,855.32	771,710.63
2/1/2025		1.167	5,467.40	5,467.40	
8/1/2025	772,000	1.167	5,467.40	777,467.40	782,934.79
2/1/2026		1.167	962.78	962.78	
8/1/2026	165,000	1.167	962.78	165,962.78	166,925.55
2/1/2027					
TOTALS	3,912,000		110,766.19	4,022,766.19	4,022,766.19

SCHEDULE B

COUNTY OF UNION
COMMONWEALTH OF PENNSYLVANIA
GENERAL OBLIGATION NOTE, SERIES A OF 2021

MAXIMUM PRINCIPAL, INTEREST RATE AND
DEBT SERVICE SCHEDULE

<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>
5/1/2021	520,000	1.450	3,126.20	523,126.20	
11/1/2021		1.450	47,386.00	47,386.00	570,512.20
5/1/2022	479,000	1.450	47,386.00	526,386.00	
11/1/2022		1.450	43,913.25	43,913.25	570,299.25
5/1/2023	480,000	1.450	43,913.25	523,913.25	
11/1/2023		1.450	40,433.25	40,433.25	564,346.50
5/1/2024	491,000	1.450	40,433.25	531,433.25	
11/1/2024		1.450	36,873.50	36,873.50	568,306.75
5/1/2025	497,000	1.450	36,873.50	533,873.50	
11/1/2025		1.450	33,270.25	33,270.25	567,143.75
5/1/2026	1,118,000	1.450	33,270.25	1,151,270.25	
11/1/2026		1.450	25,164.75	25,164.75	1,176,435.00
5/1/2027	1,370,000	1.450	25,164.75	1,395,164.75	
11/1/2027		1.450	15,232.25	15,232.25	1,410,397.00
5/1/2028	1,445,000	1.450	15,232.25	1,460,232.25	
11/1/2028		1.450	4,756.00	4,756.00	1,464,988.25
5/1/2029	411,000	1.450	4,756.00	415,756.00	
11/1/2029		1.450	1,776.25	1,776.25	417,532.25
5/1/2030	245,000	1.450	1,776.25	246,776.25	
11/1/2030					246,776.25
5/1/2031					
TOTALS	7,056,000		500,737.20	7,556,737.20	7,556,737.20

SCHEDULE C

SCHEDULE OF ALL OUTSTANDING DEBT

Fiscal Year Ended	G.O. Notes Series A of 2011	G.O. Notes Series B of 2011	G.O. Note Series of 2021 ^[1]	G.O. Note Series A of 2021 ^[1]	Total Debt Service
12/31/2021	104,297	180,348	759,808	570,512	1,614,966
12/31/2022		279,337	763,936	570,299	1,613,572
12/31/2023		268,797	777,451	564,347	1,610,595
12/31/2024		276,078	771,711	568,307	1,616,095
12/31/2025		240,553	782,935	567,144	1,590,631
12/31/2026			166,926	1,176,435	1,343,361
12/31/2027				1,410,397	1,410,397
12/31/2028				1,464,988	1,464,988
12/31/2029				417,532	417,532
12/31/2030				246,776	246,776
12/31/2031					
12/31/2032					
12/31/2033					
12/31/2034					
12/31/2035					
Totals	104,297	1,245,114	4,022,766	7,556,737	12,928,914

SCHEDULE D

COUNTY OF UNION
COMMONWEALTH OF PENNSYLVANIA

FORM OF SERIES 2021 NOTE

[CONTINUED ON NEXT PAGE]

\$3,912,000.00

\$3,912,000.00

**UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA**

**COUNTY OF UNION
GENERAL OBLIGATION NOTE, SERIES OF 2021 (FEDERALLY TAXABLE)**

Date of Issuance
April __, 2021

Interest Rate
1.167%

Maturity Date
August 1, 2026

The **COUNTY OF UNION**, Commonwealth of Pennsylvania (the "County"), a municipality existing under laws of the Commonwealth of Pennsylvania, for value received, acknowledges itself to be indebted to and promises to pay to **KEY GOVERNMENT FINANCE, INC.** (the "Purchaser"), or registered assigns, on the above stated Maturity Date, the maximum principal sum of **THREE MILLION NINE HUNDRED TWELVE THOUSAND AND 00/100 DOLLARS (\$3,912,000)**, payable in the stated minimum principal installments set forth in the Payment Record attached hereto and incorporated herein, on August 1 of each year, beginning August 1, 2021, through and including the Maturity Date, unless this Note shall have been prepaid, in whole or as herein permitted, and to pay interest at the federally taxable Interest Rate set forth above on the unpaid principal balance, calculated on the basis of a year of 360 days comprised of twelve (12) thirty (30) day months, with interest payment in semi-annual installments, initially on August 1, 2021, and on each February 1 and August 1 (for convenience, each an "Interest Payment Date") thereafter, from the immediately preceding Interest Payment Date to which has been paid, unless: (a) this Note is registered as of an Interest Payment Date, in which event this Note shall bear interest from such Interest Payment Date; or (b) this Note is registered prior to August 1, 2021, in which event this Note shall bear interest from the Date of Issuance; or (c) as shown by the records of the Paying Agent, interest on this Note shall be in default, in which event this Note shall bear interest from the date on which interest was last paid, until the principal sum thereof is paid.

The Note is registered as of the above stated Date of Issuance of this Note. This Note is scheduled to mature on the Maturity Date at which time, if not previously paid pursuant to the prepayment provisions set forth herein, all outstanding principal, together with all accrued, but unpaid, interest and all fees and costs, if any, owed by the County to the Purchaser, shall be due and payable without demand by the Purchaser.

Payments of principal hereof, in whole or in part, and of interest hereon shall be made in any coin or currency of the United States of America which, at time of payment, shall be legal tender for payment of public and private debts, at the office of Susquehanna Community Bank, Lewisburg, Pennsylvania (in this capacity, the "Paying Agent" which term shall include any duly appointed alternate or successor paying agent). So long as the Purchaser shall be the registered owner hereof, payment of any part of the principal of and interest on this Note by or on behalf of the County shall be valid and effective to satisfy and discharge fully the obligations of the County or its Paying Agent, with respect to such payments of principal and interest, without surrender hereof to the Paying Agent for appropriate notation upon the Payment Record attached hereto and made part hereof. At any time the registered owner hereof shall not be the Purchaser, payment of any part of the principal of and interest on this Note shall be made only upon surrender hereof by the registered owner at the office of the Paying Agent (or the office of any successor paying agent) for appropriate notations with respect to such payments and any unrecorded prior

payments upon such Payment Record. Notations upon such Payment Record with respect to payments of principal and interest shall satisfy and discharge fully the obligations of the County with respect to such payments of principal and interest, and such notations upon such Payment Record shall be conclusive and binding upon the registered owner hereof.

If the date for payment of the principal of or interest on this Note shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the municipality where the office of the Paying Agent is located are authorized by law or executive order to close, then the date of such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or on a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the date fixed for such payment.

The principal hereof is subject to prepayment prior to maturity at the option of the County, as a whole or in part on any date upon payment of not less than \$200,000 outstanding principal amount hereof, together with accrued interest hereon to the date fixed for prepayment; provided, however, that any prepayment within the first year of the date of issuance of this Note will be subject to a prepayment penalty of 1.00%, and thereafter, without premium or penalty. The registered owner hereof, by acceptance hereof, agrees that such prepayment may be made by the County without any prior notice, of any nature whatsoever, to the registered owner hereof. Partial prepayment of principal may be credited against such stated installments of principal on this Note as the County may designate in writing to the Purchaser at the time of prepayment; otherwise the partial prepayment shall be applied against the principal installments last, by date, due and payable.

This Note is issued in accordance with provisions of the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented (the "Debt Act"), and by virtue of a duly enacted Ordinance (the "Ordinance") of the Board of Commissioners of the County. The Debt Act, as such shall have been in effect when this Note was authorized, and the Ordinance shall constitute a contract between the County and the registered owner, from time to time, of this Note. A copy of the Ordinance, duly certified by the Chief Clerk of the County, is on file at the office of the County.

If the County shall fail to make any payment of principal or interest due to the Purchaser under this Note after the same shall become due and payable, whether at maturity or otherwise, interest on the delinquent amount shall be increased, which shall become due and payable by the County, to the rate of 4.167% per annum from the date of the occurrence of such payment default until cured. If the County shall fail to make any payment of principal or interest due to the Purchaser under this Note for a period of ninety (90) days after the same shall become due and payable, whether at maturity or otherwise, interest on the entire outstanding principal amount of this Note shall be increased, which shall become due and payable by the County, to the rate of 4.167% per annum from the date of the occurrence of such payment default until cured.

It is hereby certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Note or in creation of the debt of which this Note is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Note, together with any other indebtedness of the County, if any, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the County. The County has covenanted in the Ordinance with the registered owners, from time to time, of this Note that the County, as appropriate, shall include the maximum amount of debt service for each fiscal year of the County in which sums are payable, in its budget for that fiscal year, shall appropriate such amounts to the payment of such debt service and duly and punctually shall pay or shall cause to be paid the

principal of this Note and the interest thereon at the dates and place and in the manner stated herein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the County has and does pledge, irrevocably, its full faith, credit and taxing power. The Debt Act provides that the foregoing covenant of the County shall be enforceable specifically.

The County, in the Ordinance, has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal of and the interest on this Note shall be deposited not later than the date fixed for disbursement thereof. The County has covenanted in the Ordinance to make payments out of such sinking fund or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of this Note.

This Note, immediately upon execution and delivery hereof by the County, shall be registered, both as to principal and interest, in the name of the owner, on records of the County to be kept for that purpose by the Paying Agent, such registration to be noted hereon by a duly authorized representative of the Paying Agent. After such registration, no transfer hereof shall be valid unless made by the registered owner hereof in person or by his duly authorized attorney and similarly noted upon said records and hereon. Rights of any registered owner hereof, subsequent to the initial registered owner hereof, shall not exceed rights of the predecessor registered owner hereof.

This Note is issuable only in the form of a fully registered Note, without coupons.

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IN WITNESS WHEREOF, the **COUNTY OF UNION**, Commonwealth of Pennsylvania, as provided by the Debt Act and in the Ordinance, has caused this Note to be executed in its name and on its behalf by its Chairman of the Board of Commissioners of the County (and may include the manual or facsimile signature of any other member of the Board of Commissioners of the County) and the official seal of the County to be affixed hereunto and the signature of the Chief Clerk of the County to be affixed hereunto in attestation thereof and to be delivered as of this ____ day of April, 2021.

COUNTY OF UNION,
Commonwealth of Pennsylvania

Chairman, Board of Commissioners

County Commissioner

County Commissioner

ATTEST:

Chief Clerk

[SEAL]

REGISTRATION RECORD

NOTHING TO BE WRITTEN HERE EXCEPT BY A DULY AUTHORIZED
REPRESENTATIVE OF SUSQUEHANNA COMMUNITY BANK, LEWISBURG,
PENNSYLVANIA (THE "PAYING AGENT")

DATE OF REGISTRY	NAME OF REGISTERED OWNER	REGISTERED BY AUTHORIZED REPRESENTATIVE OF THE PAYING AGENT
APRIL __, 2021	SUSQUEHANNA COMMUNITY BANK LEWISBURG, PENNSYLVANIA	

PAYMENT RECORD

<u>SEMI-ANNUAL INSTALLMENTS OF PRINCIPAL AND INTEREST</u>			<u>PRINCIPAL PREPAYMENTS</u>			
DUE DATE OF PAYMENTS	MINIMUM INSTALLMENT OF PRINCIPAL	AMOUNT OF INTEREST	DATE OF PREPAYMENT	AMOUNT OF PRINCIPAL PREPAID	AMOUNT OF PRINCIPAL REMAINING UNPAID	SIGNATURE OF AUTHORIZED OFFICER OF THE PAYING AGENT; DATE
08/01/2021	\$747,000	\$		\$	\$	
02/01/2022		\$		\$	\$	
08/01/2022	\$727,000	\$		\$	\$	
02/01/2023		\$		\$	\$	
08/01/2023	\$749,000	\$		\$	\$	
02/01/2024		\$		\$	\$	
08/01/2024	\$752,000	\$		\$	\$	
02/01/2025		\$		\$	\$	
08/01/2025	\$772,000	\$		\$	\$	
02/01/2026		\$		\$	\$	
08/01/2026	\$165,000	\$		\$	\$	

SCHEDULE E

COUNTY OF UNION
COMMONWEALTH OF PENNSYLVANIA

FORM OF SERIES 2021A NOTE

[CONTINUED ON NEXT PAGE]

\$7,056,000.00

\$7,056,000.00

**UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA**

**COUNTY OF UNION
GENERAL OBLIGATION NOTE, SERIES A OF 2021**

Date of Issuance

April __, 2021

Interest Rate

1.450%

Maturity Date

May 1, 2030

The **COUNTY OF UNION**, Commonwealth of Pennsylvania (the "County"), a municipality existing under laws of the Commonwealth of Pennsylvania, for value received, acknowledges itself to be indebted to and promises to pay to **KEY GOVERNMENT FINANCE, INC.** (the "Purchaser"), or registered assigns, on the above stated Maturity Date, the maximum principal sum of **SEVEN MILLION FIFTY-SIX THOUSAND AND 00/100 DOLLARS (\$7,056,000.00)**, payable in the stated minimum principal installments set forth in the Payment Record attached hereto and incorporated herein, on May 1 of each year, beginning May 1, 2021, through and including the Maturity Date, unless this Note shall have been prepaid, in whole or as herein permitted, and to pay interest at the tax-exempt Interest Rate set forth above on the unpaid principal balance, calculated on the basis of a year of 360 days comprised of twelve (12) thirty (30) day months, with interest payment in semi-annual installments, initially on May 1, 2021, and on each May 1 and November 1 (for convenience, each an "Interest Payment Date") thereafter, from the immediately preceding Interest Payment Date to which has been paid, unless: (a) this Note is registered as of an Interest Payment Date, in which event this Note shall bear interest from such Interest Payment Date; or (b) this Note is registered prior to May 1, 2021, in which event this Note shall bear interest from the Date of Issuance; or (c) as shown by the records of the Paying Agent, interest on this Note shall be in default, in which event this Note shall bear interest from the date on which interest was last paid, until the principal sum thereof is paid.

The Note is registered as of the above stated Date of Issuance of this Note. This Note is scheduled to mature on the Maturity Date at which time, if not previously paid pursuant to the prepayment provisions set forth herein, all outstanding principal, together with all accrued, but unpaid, interest and all fees and costs, if any, owed by the County to the Purchaser, shall be due and payable without demand by the Purchaser.

Payments of principal hereof, in whole or in part, and of interest hereon shall be made in any coin or currency of the United States of America which, at time of payment, shall be legal tender for payment of public and private debts, at the office of Susquehanna Community Bank, Lewisburg, Pennsylvania (in this capacity, the "Paying Agent" which term shall include any duly appointed alternate or successor paying agent). So long as the Purchaser shall be the registered owner hereof, payment of any part of the principal of and interest on this Note by or on behalf of the County shall be valid and effective to satisfy and discharge fully the obligations of the County or its Paying Agent, with respect to such payments of principal and interest, without surrender hereof to the Paying Agent for appropriate notation upon the Payment Record attached hereto and made part hereof. At any time the registered owner hereof shall not be Purchaser, payment of any part of the principal of and interest on this Note shall be made only upon surrender hereof by the registered owner at the office of the Paying Agent (or the office of any successor paying agent) for appropriate notations with respect to such payments and any unrecorded prior payments upon such Payment Record. Notations upon such Payment Record with respect to payments of principal and interest shall satisfy and discharge fully the obligations of the County

with respect to such payments of principal and interest, and such notations upon such Payment Record shall be conclusive and binding upon the registered owner hereof.

If the date for payment of the principal or interest on this Note shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the municipality where the office of the Paying Agent is located are authorized by law or executive order to close, then the date of such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or on a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the date fixed for such payment.

The principal hereof is subject to prepayment prior to maturity at the option of the County, as a whole or in part on any date upon payment of not less than \$200,000 outstanding principal amount hereof, together with accrued interest hereon to the date fixed for prepayment; provided, however, that any prepayment within the first year of the date of issuance of this Note will be subject to a prepayment penalty of 1.00%, and thereafter, without premium or penalty. The registered owner hereof, by acceptance hereof, agrees that such prepayment may be made by the County without any prior notice, of any nature whatsoever, to the registered owner hereof. Partial prepayment of principal may be credited against such stated installments of principal on this Note as the County may designate in writing to the Purchaser at the time of prepayment; otherwise the partial prepayment shall be applied against the principal installments last, by date, due and payable.

This Note is issued in accordance with provisions of the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented (the "Debt Act"), and by virtue of a duly enacted Ordinance (the "Ordinance") of the Board of Commissioners of the County. The Debt Act, as such shall have been in effect when this Note was authorized, and the Ordinance shall constitute a contract between the County and the registered owner, from time to time, of this Note. A copy of the Ordinance, duly certified by the Chief Clerk of the County, is on file at the office of the County.

Upon a Determination of Taxability (as defined below), interest on this Note shall accrue at the Taxable Rate (as defined below). In addition, the County agrees to make immediately upon demand of the Purchaser a payment to supplement prior payments of principal and interest on this Note that are taxable to the Taxable Rate. "Determination of Taxability" means any determination, decision, or decree made by the Commissioner or any District Director of the Internal Revenue Service, or by any court of competent jurisdiction, that the interest payable on this Note is includable in the gross income for federal income tax purposes of the owner thereof by virtue of the occurrence of any event, including any change in law, which results in interest payable on this Notes becoming includable in the gross income of the owner thereof for federal income tax purposes. "Taxable Rate" means 1.836% per annum.

If the County shall fail to make any payment of principal or interest due to the Purchaser under this Note after the same shall become due and payable, whether at maturity or otherwise, interest on the delinquent amount shall be increased, which shall become due and payable by the County, to a per annum rate of 3.0% in excess of the then current rate on this Note (the "Default Rate") from the date of the occurrence of such payment default until cured. If the County shall fail to make any payment of principal or interest due to the Purchaser under this Note for a period of ninety (90) days after the same shall become due and payable, whether at maturity or otherwise, interest on the entire outstanding principal amount of this Note shall be increased, which shall become due and payable by the County, to the Default Rate from the date of the occurrence of such payment default until cured.

It is hereby certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Note or in creation of the debt of which this Note is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Note, together with any other indebtedness of the County, if any, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the County. The County has covenanted in the Ordinance with the registered owners, from time to time, of this Note that the County, as appropriate, shall include the maximum amount of debt service for each fiscal year of the County in which sums are payable, in its budget for that fiscal year, shall appropriate such amounts to the payment of such debt service and duly and punctually shall pay or shall cause to be paid the principal of this Note and the interest thereon at the dates and place and in the manner stated herein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the County has and does pledge, irrevocably, its full faith, credit and taxing power. The Debt Act provides that the foregoing covenant of the County shall be enforceable specifically.

The County, in the Ordinance, has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal of and the interest on this Note shall be deposited not later than the date fixed for disbursement thereof. The County has covenanted in the Ordinance to make payments out of such sinking fund or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of this Note.

This Note, immediately upon execution and delivery hereof by the County, shall be registered, both as to principal and interest, in the name of the owner, on records of the County to be kept for that purpose by the Paying Agent, such registration to be noted hereon by a duly authorized representative of the Paying Agent. After such registration, no transfer hereof shall be valid unless made by the registered owner hereof in person or by his duly authorized attorney and similarly noted upon said records and hereon. Rights of any registered owner hereof, subsequent to the initial registered owner hereof, shall not exceed rights of the predecessor registered owner hereof.

This Note is issuable only in the form of a fully registered Note, without coupons.

This Note has been determined to be and has been designated by the County, or is deemed designated, as a "qualified tax exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the **COUNTY OF UNION**, Commonwealth of Pennsylvania, as provided by the Debt Act and in the Ordinance, has caused this Note to be executed in its name and on its behalf by its Chairman of the Board of Commissioners of the County (and may include the manual or facsimile signature of any other member of the Board of Commissioners of the County) and the official seal of the County to be affixed hereunto and the signature of the Chief Clerk of the County to be affixed hereunto in attestation thereof and to be delivered as of this ____ day of April, 2021.

COUNTY OF UNION,
Commonwealth of Pennsylvania

Chairman, Board of Commissioners

County Commissioner

County Commissioner

ATTEST:

Chief Clerk

[SEAL]

REGISTRATION RECORD

NOTHING TO BE WRITTEN HERE EXCEPT BY A DULY AUTHORIZED
REPRESENTATIVE OF SUSQUEHANNA COMMUNITY BANK, LEWISBURG,
PENNSYLVANIA (THE "PAYING AGENT")

DATE OF REGISTRY	NAME OF REGISTERED OWNER	REGISTERED BY AUTHORIZED REPRESENTATIVE OF THE PAYING AGENT
APRIL __, 2021	SUSQUEHANNA COMMUNITY BANK LEWISBURG, PENNSYLVANIA	

PAYMENT RECORD

<u>SEMI-ANNUAL INSTALLMENTS OF PRINCIPAL AND INTEREST</u>			<u>PRINCIPAL PREPAYMENTS</u>			
DUE DATE OF PAYMENTS	MINIMUM INSTALLMENT OF PRINCIPAL	AMOUNT OF INTEREST	DATE OF PREPAYMENT	AMOUNT OF PRINCIPAL PREPAID	AMOUNT OF PRINCIPAL REMAINING UNPAID	SIGNATURE OF AUTHORIZED OFFICER OF THE PAYING AGENT; DATE
05/01/2021	\$520,000	\$		\$	\$	
11/01/2021		\$		\$	\$	
05/01/2022	\$479,000	\$		\$	\$	
11/01/2022		\$		\$	\$	
05/01/2023	\$480,000	\$		\$	\$	
11/01/2023		\$		\$	\$	
05/01/2024	\$491,000	\$		\$	\$	
11/01/2024		\$		\$	\$	
05/01/2025	\$497,000	\$		\$	\$	
11/01/2025		\$		\$	\$	
05/01/2026	\$1,118,000	\$		\$	\$	
11/01/2026		\$		\$	\$	
05/01/2027	\$1,370,000	\$		\$	\$	
11/01/2027		\$		\$	\$	
05/01/2028	\$1,445,000	\$		\$	\$	
11/01/2028		\$		\$	\$	
05/01/2029	\$411,000	\$		\$	\$	
11/01/2029		\$		\$	\$	
05/01/2030	\$245,000	\$		\$	\$	

CERTIFICATE

I, the undersigned officer the County of Union, Commonwealth of Pennsylvania ("County"), hereby certify that: (a) attached to this Certificate is a true, correct and complete copy of an ordinance (the "Ordinance") which was duly enacted at a meeting of the Board of Commissioners of the County on March 16, 2021, at which a quorum was present and acting throughout, and which was at all times open to the public; (b) the Ordinance was duly recorded in the County's Ordinance Book, and a summary of the Ordinance was published as required by law in a newspaper of general circulation in the County; (c) the County met the advance notice requirements of the Sunshine Act, 65 Pa.C.S. §701 *et seq.* by advertising the date of the meeting and posting a notice of the meeting at the public meeting place of the Board of Commissioners; (d) the total number of members of the Board of Commissioners is three; and (e) the vote upon the Ordinance was called and duly recorded upon the minutes and that the members voted in the following manner:

	Yes	No	Abstain	Absent
Preston Boop	_____	_____	_____	_____
Jeff Reber	_____	_____	_____	_____
Stacy Richards	_____	_____	_____	_____

WITNESS my hand and seal of the County this 16th day of March, 2021.

Chief Clerk

[SEAL]