

**ORDINANCE NO. 397  
OF THE TOWNSHIP COUNCIL  
OF THE TOWNSHIP OF CONCORD,  
DELAWARE COUNTY, PENNSYLVANIA**

AN ORDINANCE THAT AUTHORIZES THE INCURRENCE OF NONELECTORAL, GENERAL OBLIGATION DEBT BY THE TOWNSHIP OF CONCORD, DELAWARE COUNTY, PENNSYLVANIA (THE “PARTICIPANT”) PURSUANT TO THE ISSUANCE OF THE GENERAL OBLIGATION NOTES, 2022 SERIES (COLLECTIVELY, THE “PARTICIPANT NOTE”) IN THE AGGREGATE PRINCIPAL AMOUNT OF \$7,302,000 AND APPROVES A CERTAIN REFUNDING PROJECT; APPROVES THE NEGOTIATED SALE OF THE PARTICIPANT NOTE TO THE DELAWARE VALLEY REGIONAL FINANCE AUTHORITY; APPROVES THE SUBSTANTIAL FORMS OF THE LOAN DOCUMENTS AND AUTHORIZES EXECUTION AND DELIVERY OF ALL NECESSARY DOCUMENTS; STATES THE AMORTIZATION SCHEDULE AND MAXIMUM ANNUAL DEBT SERVICE PAYMENTS; AUTHORIZES AND AWARDS A TRANSACTION UNDER A QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT AND AUTHORIZES AND DIRECTS A FILING TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; PLEDGES THE FULL FAITH, CREDIT, AND TAXING POWER OF THE PARTICIPANT FOR THE TIMELY REPAYMENT OF THE PARTICIPANT NOTE, INCLUDING THE PERIODIC PAYMENTS DUE UNDER THE QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT; COVENANTS TO PAY ANY TERMINATION CHARGES; CREATES A SINKING FUND AND APPOINTS A SINKING FUND DEPOSITORY; AUTHORIZES THE APPLICATION TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT FOR APPROVAL OF THE ISSUANCE OF THE PARTICIPANT NOTE; AUTHORIZES ADVERTISEMENT OF ENACTMENT; AND REPEALS INCONSISTENT ORDINANCES.

WHEREAS, the Township Council (the “Council”) of the Township of Concord (the “Participant”) issued its General Obligation Bonds, Series of 2016 (the “2016 Bonds”) in the aggregate principal amount of \$9,560,000 on September 21, 2016, to fund certain capital projects (collectively, the “2016 Project”) consisting of: (i) the current refunding of the General Obligation Bonds, Series of 2011 (the “2011 Bonds”), (ii) the acquisition, construction, improvement and

renovation of the sewage collection, transmission and treatment system, including, but not limited to, the expansion and upgrade of the Township’s sewage treatment plant, and (iii) the costs associated with the issuance of the 2016 Bonds, and

WHEREAS, the Participant issued its 2011 Bonds in the aggregate principal amount of \$9,445,000 on October 3, 2011, to fund certain projects (collectively, the “2011 Project”) consisting of: (i) the current refunding of the Guaranteed Open Space Tax Levy Bonds, Series of 2005 (the “2005 Bonds”), (ii) the current refunding of the General Obligation Bonds, Series of 2006 A (the “2006 A Bonds”), (iii) the current refunding of the General Obligation Bonds, Series of 2006 B (the “2006 B Bonds”), and (iv) the costs associated with the issuance of the 2011 Bonds; and

WHEREAS, the Participant issued its 2005 Bonds in the aggregate principal amount of \$6,550,000 on July 7, 2005, to fund certain projects (collectively, the “2005 Project”) consisting of: (i) the acquisition of land, and (ii) the costs associated with the issuance of the 2005 Bonds; and

WHEREAS, the Participant issued its 2006 A Bonds in the aggregate principal amount of \$3,000,000 on October 3, 2006, to fund certain projects (collectively, the “2006 A Project”) consisting of: (i) the acquisition, construction, improvement and renovation of the sewage collection, transmission and treatment system, including, but not limited to, the expansion and upgrade of the Township’s sewage treatment plant, and (ii) the costs associated with the issuance of the 2006 A Bonds; and

WHEREAS, the Participant issued its 2006 B Bonds in the aggregate principal amount of \$1,500,000 on October 3, 2006, to fund certain projects (collectively, the “2006 B Project”) consisting of: (i) improvements to parks, and (ii) the costs associated with the issuance of the 2006 B Bonds; and

WHEREAS, the Participant may optionally redeem the 2016 Bonds on any date on or after December 15, 2021; and

WHEREAS, the Participant would reduce its total debt service costs by currently refunding the 2016 Bonds at current market levels; and

WHEREAS, the Participant has obtained preliminary cost estimates for the refunding of the 2016 Bonds from persons qualified by experience; and

WHEREAS, the incurrence of nonelectoral debt by the issuance of the General Obligation Notes, 2022 Series (collectively, the “Participant Note”) is necessary to refund the 2016 Bonds; and

WHEREAS, the Council has determined to issue its Participant Note and to undertake a certain refunding project (the “2022 Refunding”) consisting of: (i) the current refunding of the 2016 Bonds and (ii) the payment of the costs of issuance of the Participant Note, that will reduce total debt service costs and benefit the health and welfare of the residents of the Township of Concord; and

WHEREAS, the projects refinanced by the Participant Note (collectively, the “Project”) shall be for the benefit and use of the general public, and no private party shall have any special legal entitlement to the beneficial use of the Project, through a lease, management contract, or any other arrangement that would result in a private business use under the *Internal Revenue Code of 1986*, as amended; and

WHEREAS, the proposed increase of nonelectoral debt from the issuance of the Participant Note, together with the nonelectoral and lease rental debt presently outstanding, will not cause the constitutional or statutory debt limitations of the Participant to be exceeded; and

WHEREAS, the Delaware Valley Regional Finance Authority (“DelVal”), a public authority within the meaning of the *Local Government Unit Debt Act*, 53 Pa. C.S.A. §8001, *et seq* (the “*Debt Act*”), has from time to time issued Local Government Revenue Bonds (the “DelVal Bonds”), to provide funds for loans to local government units and municipal authorities (the “Loan Program”); and

WHEREAS, from time to time, DelVal has entered into interest rate swap agreements related to the DelVal Bonds (collectively, the “DelVal Swap Agreement”) in order to provide a more cost-effective Loan Program and to allow participants in the Loan Program to manage interest rate risk more efficiently; and

WHEREAS, Calhoun Baker Inc. (the “Municipal Advisor”) is an “Independent Financial Advisor”, as such term is defined in the *Debt Act*, to DelVal, and the Municipal Advisor has

prepared an “Interest Rate Management Plan” (the “Plan”), as such term is defined in the *Debt Act*, and an Interest Rate Swap Management Policy (the “Swap Policy”) that have been adopted by the Board of Directors of DelVal; and

WHEREAS, DelVal established minimum rating criteria for any counterparty to the DelVal Swap Agreement of long term, senior, unsecured debt ratings in the “AA-” or “Aa3” category or higher, or ratings equal to or higher than any active counterparty, by a Nationally Recognized Statistical Rating Organization registered with the Securities and Exchange Commission, and the Board of Directors of DelVal found that the award of transactions under the DelVal Swap Agreement by negotiation in private sales were in the best financial interests of DelVal and the participants in the Loan Program, and the Municipal Advisor concluded that the financial terms and conditions of the DelVal Swap Agreement were fair and reasonable as of the dates of award; and

WHEREAS, the Participant wishes to utilize the DelVal Loan Program by issuing the Participant Note to DelVal; and

WHEREAS, under the terms of the Loan Agreement with DelVal, interest payments on the Participant Note (the “Loan Interest”) will equal the amounts allocable to the Participant Note for interest on the DelVal Bonds, periodic scheduled payments on the DelVal Swap Agreement, and other costs and liquidity requirements incurred by DelVal to administer the Loan Program; and

WHEREAS, under the terms of the Loan Agreement with DelVal, the principal amount outstanding of the Participant Note (the “Loan Principal”) will equal the notional amount of the DelVal Swap Agreement related to the Participant Note; and

WHEREAS, the Township Council intends to (i) designate the Loan Agreement and the allocable portion of the DelVal Swap Agreement as a Qualified Interest Rate Management Agreement related to the Participant Note, (ii) approve the Plan as the Interest Rate Management Plan required by the *Debt Act*, and (iii) adopt the Swap Policy.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF CONCORD, DELAWARE COUNTY, PENNSYLVANIA,

AND IT IS HEREBY ORDAINED AND ENACTED BY THE AUTHORITY OF SAID TOWNSHIP COUNCIL THAT:

**SECTION 1. APPROVAL OF THE 2022 REFUNDING AND AUTHORIZATION TO ISSUE THE PARTICIPANT NOTE**

The Township Council (the “Council”) hereby authorizes and approves the 2022 Refunding. Pursuant to §8142(a)(2) of the *Debt Act*, the twenty-year remaining estimated weighted average useful life of the Project exceeds the thirteen-year term of the Participant Note. The principal of the Participant Note shall be amortized to provide level or declining annual debt service, pursuant to §8142(b)(1) of the *Debt Act*. The amortization of the principal amounts of the Participant Note shall begin within two years of the date of issue in accordance with §8142(c) of the *Debt Act*. The Council hereby authorizes and directs the incurrence of nonelectoral, general obligation debt in the aggregate principal amount of SEVEN MILLION THREE HUNDRED TWO THOUSAND DOLLARS (\$7,302,000) by the issuance of the Participant Note.

**SECTION 2. APPROVAL OF THE LOAN COMMITMENT**

The Council, after due deliberation and investigation, hereby determines that a private sale by negotiation of the Participant Note to DelVal is in the best financial interests of the Participant. The Council hereby accepts the Loan Commitment from DelVal, attached hereto, to purchase the Participant Note at an aggregate price of \$7,302,000 from the proceeds of the DelVal Bonds. The Participant shall be responsible for paying DelVal’s costs of origination in an amount not to exceed \$36,510, as directed by DelVal’s Program Administrator upon the issuance of the Participant Note. The Participant Note shall be purchased by DelVal on or about January 7, 2022, or in such installments and/or at such other times as the President or Vice-President of the Council and DelVal’s Program Administrator shall determine.

**SECTION 3. APPROVAL OF THE FORMS OF THE LOAN DOCUMENTS AND AUTHORIZATION TO EXECUTE AND DELIVER ALL NECESSARY DOCUMENTS**

The substantial forms of the Loan Agreement and Participant Note (collectively, the “Loan Documents”) attached to the Loan Commitment are hereby approved. The President or Vice-President of the Council and the Secretary of the Council (collectively, the “Authorized Officers”) are hereby authorized and directed to execute and deliver the Loan Documents, in the substantial forms attached to the Loan Commitment, but with such alterations, deletions and additions as the

Authorized Officers may approve (such approval to be conclusively established by the execution of the Loan Documents by the Authorized Officers). The Authorized Officers also are hereby authorized and directed (i) to execute and deliver such other certificates, instruments, and agreements (including those required by any institution issuing a financial guaranty insurance policy, municipal bond insurance policy, letter of credit, or similar instrument related to the DelVal Bonds or the Participant Note) and (ii) to take all actions that may be necessary or beneficial to issue the Participant Note.

**SECTION 4. AMORTIZATION SCHEDULE AND MAXIMUM ANNUAL DEBT SERVICE PAYMENTS**

The indebtedness of the Participant Note shall be nonelectoral debt and a general obligation of the Participant and shall be evidenced by one or more Promissory Notes (The form is attached hereto as Exhibit A.) in the aggregate par amount of \$7,302,000. The Participant Note shall bear interest (the “Loan Rate”) at the rate specified in the Loan Agreement and the Participant Note, the substantial forms of which are attached to the Loan Commitment. The Participant Note shall be subject to optional redemption by the Participant as set forth in the Participant Note and the Loan Agreement. The amortization schedule of the Loan Principal and the maximum Loan Interest payments under the Participant Note, based upon the maximum Loan Rate of 15%, are shown below:

**General Obligation Notes, 2022 Series  
Principal Amortization Schedule and  
Maximum Annual Debt Service Payments**

<i>Bond Year</i> <u>Ending</u>	<i>Principal</i> (1)	<i>Maximum</i> <i>Interest</i> <u>Rate</u>	<i>Maximum</i> <i>Interest</i> <u>Payment</u> (2)	<i>Maximum</i> <i>Annual</i> <u>Debt Service</u>
25-Nov-22	\$ 605,000.00	15%	\$ 967,515.00	\$ 1,572,515.00
25-Nov-23	610,000.00	15%	1,004,550.00	1,614,550.00
25-Nov-24	622,000.00	15%	913,050.00	1,535,050.00
25-Nov-25	633,000.00	15%	819,750.00	1,452,750.00
25-Nov-26	645,000.00	15%	724,800.00	1,369,800.00
25-Nov-27	493,000.00	15%	628,050.00	1,121,050.00
25-Nov-28	502,000.00	15%	554,100.00	1,056,100.00
25-Nov-29	510,000.00	15%	478,800.00	988,800.00
25-Nov-30	519,000.00	15%	402,300.00	921,300.00
25-Nov-31	527,000.00	15%	324,450.00	851,450.00
25-Nov-32	536,000.00	15%	245,400.00	781,400.00
25-Nov-33	545,000.00	15%	165,000.00	710,000.00
25-Nov-34	555,000.00	15%	83,250.00	638,250.00
Total	<u>\$ 7,302,000.00</u>		<u>\$ 7,311,015.00</u>	<u>\$ 14,613,015.00</u>

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| (1) Principal is payable annually, commencing on:        | 25-Nov-22 |
| (2) Interest is payable monthly on the 25th, commencing: | 25-Jan-22 |
| Interest is calculated for the period beginning on:      | 7-Jan-22  |

**SECTION 5. AUTHORIZATION AND AWARD OF A QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT**

The Participant is incurring indebtedness under the *Debt Act* that will be issued to DelVal, a public authority, and the Participant, by execution of the Loan Agreement, will become obligated for a notional amount of the DelVal Swap Agreement equal to the outstanding principal amount of the Participant Note. The Council hereby accepts and adopts the Plan as the Interest Rate Management Plan fulfilling the requirements of §8281(b)(2) of the *Debt Act*. The Council hereby adopts the Swap Policy, accepts and ratifies the minimum criteria used by DelVal to select the counterparties of the DelVal Swap Agreement, and accepts and ratifies the award of the DelVal Swap Agreement in a private sale by negotiation. The Council hereby authorizes and awards the Loan Agreement and the portion of the DelVal Swap Agreement allocable to the Participant Note as the Qualified Interest Rate Management Agreement with respect to the Participant Note, pursuant to §8281(a)(2) of the *Debt Act*. The Council hereby authorizes and directs the filing, to the Department of Community and Economic Development (“DCED”), within fifteen days of

enactment, a certified copy of this Ordinance and the following documents, in accordance with §8284(a)(1) of the *Debt Act*:

- 1) Form of the Loan Agreement (the Qualified Interest Rate Management Agreement pursuant to §8281(b)(1) of the *Debt Act*) and the form of the confirmation related to the Participant Note,
- 2) The Interest Rate Management Plan pursuant to §8281(b)(2) of the *Debt Act*, and
- 3) The finding of the Municipal Advisor that the financial terms and conditions of the DeIVal Swap Agreement were fair and reasonable as of the date of the award by DeIVal, pursuant to §8281(e)(5) of the *Debt Act*.

#### **SECTION 6. PLEDGE OF THE FULL FAITH, CREDIT, AND TAXING POWER**

The Participant hereby covenants to:

- 1) Include all payments of Loan Interest and Loan Principal payable under the Loan Agreement and the Participant Note in the budget of the fiscal year in which such amounts are due and payable,
- 2) Appropriate such amounts from its taxes and other general revenues, and
- 3) Pay, or cause to be paid, punctually and duly, such amounts that are due and payable under the Participant Note and the Loan Agreement on the dates, at the places, and in the manner stated in the Participant Note and the Loan Agreement.

For such budgeting, appropriation, and payment, the Participant irrevocably pledges its full faith, credit, and taxing power. As provided by the *Debt Act*, this covenant shall be specifically enforceable.

#### **SECTION 7. OBLIGATIONS OF THE PARTICIPANT RELATED TO THE QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT**

The Participant's obligations related to the Qualified Interest Rate Management Agreement are set forth in the Loan Agreement. In accordance with §8281 of the *Debt Act*:

- 1) The Participant pledges its full faith, credit, and taxing power to make any periodic scheduled payments due and payable under the DeIVal Swap Agreement related to the Participant Note and Loan Agreement (the "Periodic Payments"). The Participant covenants to (a) include all Periodic Payments in the budget of the fiscal year in which



such amounts are due and payable, (b) appropriate such amounts from its taxes and other general revenues, and (c) pay, or cause to be paid, punctually and duly, such amounts that are due and payable on the dates, at the places, and in the manner stated in the Participant Note and the Loan Agreement. As provided by the *Debt Act*, this covenant shall be specifically enforceable.

- 2) The notional amount of the DelVal Swap Agreement related to the Participant Note is equal to the outstanding principal amount of the Participant Note, initially \$7,302,000.
- 3) The Participant's obligations under the DelVal Swap Agreement end when the Participant repays or prepays the amounts outstanding under the Participant Note and the Loan Agreement. The scheduled term of the Participant's obligations related to the DelVal Swap Agreement ends on November 25, 2034.
- 4) The Participant pledges to budget, appropriate, and pay any termination payment due and payable under the DelVal Swap Agreement related to the Participant Note and Loan Agreement (the "Termination Charge"). The Participant covenants to (a) include any Termination Charge in the budget of the fiscal year in which such amounts are due and payable, (b) appropriate such amounts from its taxes and other general revenues, and (c) pay, or cause to be paid, punctually and duly, such amounts that are due and payable on the dates, at the places, and in the manner stated in the Participant Note and the Loan Agreement. The Participant's obligations to make Periodic Payments are senior to any obligation for a Termination Charge.
- 5) The maximum annual Periodic Payments, not including any Termination Charge, shall not exceed the maximum annual debt service payments authorized for the Participant Note. The maximum Loan Rate under the Loan Agreement and the maximum floating rate payable under the DelVal Swap Agreement is 15%.

#### **SECTION 8. APPOINTMENT OF SINKING FUND DEPOSITORY AND CREATION OF SINKING FUND**

Pursuant to §8221 of the *Debt Act*, the Council hereby appoints Computershare Corporate Trust (the "Depository"), or its successors or assigns, as the Sinking Fund Depository for the Participant Note, and the Council hereby irrevocably creates and establishes a sinking fund (the "Sinking Fund") to be used exclusively for the repayment of the Participant Note. The Participant

shall deposit into the Sinking Fund sufficient amounts for debt service payments on the Participant Note no later than the date upon which such payments shall become due. The Depository shall maintain a separate account for the Sinking Fund until the Participant Note is paid in full. The Depository shall, as and when said payments are due, without further action by the Participant, withdraw available monies in the Sinking Fund and apply said monies to payment of Loan Interest on and Loan Principal of the Participant Note. The Council hereby authorizes and directs the Authorized Officers to contract with the Depository, by the execution of the Loan Agreement, to serve as the Sinking Fund Depository and paying agent for the Participant Note.

**SECTION 9. AUTHORIZATION TO SUBMIT STATEMENTS TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT**

The Council hereby authorizes and directs the Authorized Officers to prepare and submit an application for approval of the incurrence of the nonelectoral, general obligation debt evidenced by the Participant Note to DCED, including the proceedings that authorize issuance, the debt statement, and any other documents required by the *Debt Act* or DCED.

**SECTION 10. LEGAL ADVERTISEMENTS**

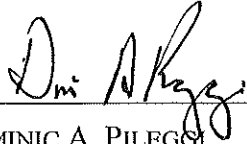
The Council hereby ratifies and directs the advertisement of a summary of this Ordinance as finally enacted, as required by the *Debt Act*, in the *Delaware County Times*, a newspaper of general circulation in the Township of Concord, within fifteen (15) days following the date of final enactment.

**SECTION 11. CONFLICTING ORDINANCES**

All Ordinances or parts of Ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

IN WITNESS WHEREOF, we, the undersigned Authorized Officers, have hereunto set our signatures and affixed hereto the Seal of the TOWNSHIP OF CONCORD, Delaware County, Pennsylvania.

Dated: December 7, 2021

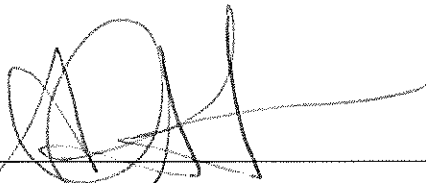


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DOMINIC A. PILEGGI  
President, Township Council

[Seal]

ATTEST:



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AMANDA SEROCK  
Secretary, Township Council

**Exhibit A**

**Form of the Participant Note**

**\$7,302,000**

**TOWNSHIP OF CONCORD,  
DELAWARE COUNTY, PENNSYLVANIA  
GENERAL OBLIGATION NOTES, 2022 SERIES**

The **TOWNSHIP OF CONCORD, DELAWARE COUNTY, PENNSYLVANIA** (the “Participant”), existing by and under the laws of the Commonwealth of Pennsylvania, for value received, hereby acknowledges itself indebted and promises to pay to the order of the **DELAWARE VALLEY REGIONAL FINANCE AUTHORITY**, its successors and assigns (“DeIVal”), in lawful money of the United States of America, in such amounts which, together with other moneys held by the Trustee for such purpose, will be sufficient to pay (i) the principal of this General Obligation Notes, 2022 Series (this “Participant Note”), in the amount of **SEVEN MILLION THREE HUNDRED TWO THOUSAND DOLLARS (\$7,302,000)**, on the dates and in the amounts set forth on **Schedule A** attached hereto, and (ii) the interest on this Participant Note, calculated pursuant to the Loan Agreement (as hereafter defined) and such other amounts due under the Loan Agreement on the dates set forth in the Loan Agreement and on Schedule A attached hereto.

This Participant Note evidences the payment obligations of the Participant to repay the loan (the “Loan”) made by DeIVal to the Participant under a certain Loan Agreement (the “Loan Agreement”) by and between DeIVal, as lender, and the Participant, dated as of January 7, 2022. All terms used herein and not defined shall have the meaning set forth in the Loan Agreement.

The amounts payable under this Participant Note are payable in immediately available funds on or before the twenty-fifth day of each month, commencing on January 25, 2022, at the corporate trust office of TD Bank, N.A., as trustee (the “Trustee”) for DeIVal.

The amounts payable under this Participant Note are payable without deduction for any tax or taxes, except gift, succession, franchise, excise or inheritance taxes, now or hereafter levied, or assessed thereon under any present or future laws of the Commonwealth of Pennsylvania, all which taxes, except as above provided, the Participant assumes and agrees to pay.

This Participant Note is issued pursuant to an Ordinance of the Township Council of the Township of Concord, Pennsylvania duly enacted on December 7, 2021 (the “Participant Ordinance”).

This Participant Note is issued in accordance with the provisions of the *Local Government Unit Debt Act*, 53 Pa. C.S.A. §8001 *et seq* (the “*Debt Act*”).

The Participant hereby certifies that the approval of the Department of Community and Economic Development of the Commonwealth of Pennsylvania for the Participant to issue and deliver this Participant Note has been duly given pursuant to the *Debt Act*; that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed, precedent to or in the issuance of this Participant Note or in the creation of the debt of which this Participant Note is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Participant Note,

together with all other indebtedness of the Participant, is within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania; and that the Participant has established a sinking fund for this Participant Note and shall deposit therein amounts sufficient to pay the principal of and interest on this Participant Note as the same shall become due and payable.

The Participant hereby covenants with the registered owner of this Participant Note that the Participant (i) shall include the amounts payable for principal of and interest on this Participant Note, for each fiscal year in which such debt service is payable in its budget for that year, (ii) shall appropriate such amounts from its revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds the principal of and the interest on this Participant Note at the dates and places and in the manner stated in this Participant Note, according to the true intent and meaning hereof. **FOR SUCH BUDGETING, APPROPRIATION AND PAYMENT OF PRINCIPAL OF AND INTEREST ON THIS PARTICIPANT NOTE, THE PARTICIPANT HAS PLEDGED ITS FULL FAITH, CREDIT AND TAXING POWER.** This covenant shall be specifically enforceable; subject, however, as to the enforceability of remedies, to any applicable bankruptcy, insolvency, moratorium or similar laws or equitable principles affecting the enforcement of creditors' rights generally. Nothing in this paragraph shall be construed to give the Participant any taxing power not granted by another provision of law.

This Participant Note may be prepaid, in whole or in part, as set forth in Article VI of the Loan Agreement.

DeIVal shall pledge and assign this Participant Note to the Trustee. The Participant and Trustee may deem and treat the person in whose name this Participant Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest hereon and for all other purposes, whether or not this Participant Note shall be overdue. The Participant and Trustee shall not be affected by any notice to the contrary.

No covenant or agreement contained in this Participant Note shall be deemed to be the covenant or agreement of any officer, agent or employee of the Participant in his or her individual capacity, and no official executing this Participant Note shall be liable personally on this Participant Note or be subject to any personal liability or accountability by reason of the issuance of this Participant Note.

No delay or omission to exercise any right or power accruing upon any default shall impair that right or power or shall be construed to be a waiver hereunder.

[Signature Page Follows]

IN WITNESS WHEREOF, we, the undersigned authorized officials, have hereunto set our signatures and affixed hereto the Seal of the TOWNSHIP OF CONCORD, DELAWARE COUNTY, PENNSYLVANIA.

Dated: January 7, 2022

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DOMINIC A. PILEGGI  
President, Township Council

[Seal]

ATTEST:

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AMANDA SEROCK  
Secretary, Township Council

## Schedule A

### Township of Concord General Obligation Notes, 2022 Series Principal Amortization Schedule and Maximum Annual Debt Service

<i>Bond Year</i> <u>Ending</u>	<i>Principal</i> (1)	<i>Maximum</i> <i>Interest</i> <u>Rate</u>	<i>Maximum</i> <i>Interest</i> <u>Payment</u> (2)	<i>Maximum</i> <i>Annual</i> <u>Debt Service</u>
25-Nov-22	\$ 605,000.00	15%	\$ 967,515.00	\$ 1,572,515.00
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25-Nov-28	502,000.00	15%	554,100.00	1,056,100.00
25-Nov-29	510,000.00	15%	478,800.00	988,800.00
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25-Nov-34	<u>555,000.00</u>	15%	<u>83,250.00</u>	<u>638,250.00</u>
Total	<u>\$ 7,302,000.00</u>		<u>\$ 7,311,015.00</u>	<u>\$ 14,613,015.00</u>

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| (1) Principal is payable annually, commencing on:        | 25-Nov-22 |
| (2) Interest is payable monthly on the 25th, commencing: | 25-Jan-22 |
| Interest is calculated for the period beginning on:      | 7-Jan-22  |



**TOWNSHIP OF CONCORD,  
DELAWARE COUNTY, PENNSYLVANIA  
ORDINANCE CERTIFICATION**

I, the Undersigned, Secretary of the TOWNSHIP OF CONCORD, Delaware County, Pennsylvania (the “Township”), hereby certify that I am an official keeper of the Seal and records of the said Township and that attached hereto is a true, correct and complete copy of the Ordinance of said Township, which Ordinance was duly enacted by the Township Council at a public meeting held on December 7, 2021, and is entitled:

**ORDINANCE NO. 397  
OF THE TOWNSHIP COUNCIL  
OF THE TOWNSHIP OF CONCORD,  
DELAWARE COUNTY, PENNSYLVANIA**

AN ORDINANCE THAT AUTHORIZES THE INCURRENCE OF NONELECTORAL, GENERAL OBLIGATION DEBT BY THE TOWNSHIP OF CONCORD, DELAWARE COUNTY, PENNSYLVANIA (THE “PARTICIPANT”) PURSUANT TO THE ISSUANCE OF THE GENERAL OBLIGATION NOTES, 2022 SERIES (COLLECTIVELY, THE “PARTICIPANT NOTE”) IN THE AGGREGATE PRINCIPAL AMOUNT OF \$7,302,000 AND APPROVES A CERTAIN REFUNDING PROJECT; APPROVES THE NEGOTIATED SALE OF THE PARTICIPANT NOTE TO THE DELAWARE VALLEY REGIONAL FINANCE AUTHORITY; APPROVES THE SUBSTANTIAL FORMS OF THE LOAN DOCUMENTS AND AUTHORIZES EXECUTION AND DELIVERY OF ALL NECESSARY DOCUMENTS; STATES THE AMORTIZATION SCHEDULE AND MAXIMUM ANNUAL DEBT SERVICE PAYMENTS; AUTHORIZES AND AWARDS A TRANSACTION UNDER A QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT AND AUTHORIZES AND DIRECTS A FILING TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; PLEDGES THE FULL FAITH, CREDIT, AND TAXING POWER OF THE PARTICIPANT FOR THE TIMELY REPAYMENT OF THE PARTICIPANT NOTE, INCLUDING THE PERIODIC PAYMENTS DUE UNDER THE QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT; COVENANTS TO PAY ANY TERMINATION CHARGES; CREATES A SINKING FUND AND APPOINTS A SINKING FUND DEPOSITORY; AUTHORIZES THE APPLICATION TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC

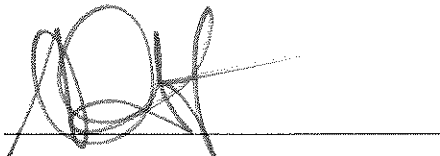
DEVELOPMENT FOR APPROVAL OF THE ISSUANCE OF THE PARTICIPANT NOTE;  
AUTHORIZES ADVERTISEMENT OF ENACTMENT; AND REPEALS INCONSISTENT  
ORDINANCES.

I hereby certify that proper notice of said meeting was duly given to each member of the Township Council; that proper public notice of said meeting was duly given by publication in a paper of general circulation published or circulated within said Township in accordance with the *Local Government Unit Debt Act*, as amended and restated (the “*Debt Act*”); that said meeting was open to the public at all times and was not adjourned, begun, recessed or interrupted in any way except for the purpose of an executive session; that a quorum was present at said meeting and acted throughout; that said Ordinance was duly enacted by the affirmative vote of a majority of the members of the Township Council then holding office and of a majority of all of the members of the Township Council; that said Ordinance, and the vote of each member thereon, have each been duly recorded in the minutes of said meeting of said Township Council; that proper public notice of the proposed enactment of said Ordinance was duly published not less than three nor more than thirty days prior to enactment, in accordance with the *Debt Act*, in a newspaper of general circulation in the area of the Township; that proper public notice of the final enactment of said Ordinance was or will be duly given not later than fifteen days after final enactment, by similar publication, in accordance with the *Debt Act*; and that said Ordinance has not been amended or repealed as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my signature as such officer and affixed hereto the Seal of the TOWNSHIP OF CONCORD, Delaware County, Pennsylvania.

[Seal]

Dated: December 7, 2021

A handwritten signature in black ink, appearing to read 'AS', is written over a horizontal line.

AMANDA SEROCK  
Secretary, Township Council