

**TOWNSHIP OF CONCORD**  
**Delaware County, Pennsylvania**

**ORDINANCE NO. 374**

AUTHORIZING THE INCURRENCE BY THE TOWNSHIP OF CONCORD (“TOWNSHIP”) OF NONELECTORAL DEBT BY THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES OF 2016 (“2016 BONDS”) IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$10,750,000 FOR THE PURPOSES OF: (i) CURRENTLY REFUNDING ALL OR A PORTION OF THE TOWNSHIP’S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES OF 2011 (“REFUNDED BONDS”); (ii) PROVIDING FUNDING FOR CERTAIN CAPITAL PROJECTS OF THE TOWNSHIP CONSISTING OF THE ACQUIRING, CONSTRUCTING, IMPROVING AND RENOVATING OF THE TOWNSHIP’S SEWAGE COLLECTION, TRANSMISSION AND TREATMENT SYSTEM, INCLUDING, BUT NOT LIMITED TO, THE EXPANSION AND UPGRADE OF THE SEWAGE TREATMENT PLANT AND (iii) PAYING THE COSTS OF ISSUING THE 2016; BONDS; AUTHORIZING THE PREPARATION OF A DEBT STATEMENT AND OTHER DOCUMENTATION; PROVIDING FOR THE CURRENT REFUNDING OF THE IDENTIFIED REFUNDED BONDS AND AUTHORIZING AN ESCROW AGREEMENT FOR SUCH PURPOSE; COVENANTING TO CREATE A SINKING FUND AND TO BUDGET, APPROPRIATE AND PAY DEBT SERVICE ON THE BONDS; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE TOWNSHIP FOR THE PROMPT AND FULL PAYMENT OF THE BONDS; SETTING FORTH THE SUBSTANTIAL FORMS OF THE BONDS; SETTING FORTH THE STATED PRINCIPAL MATURITY OR SINKING FUND REDEMPTION DATES AND AMOUNTS, MAXIMUM INTEREST RATES AND INTEREST PAYMENT DATES, PLACE OF PAYMENT, SINKING FUND PROVISIONS AND OTHER DETAILS OF THE BONDS; AUTHORIZING THE EXECUTION OF A PAYING AGENT AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT OR SUPPLEMENT; FINDING THAT A PRIVATE NEGOTIATED SALE OF THE BONDS IS IN THE BEST FINANCIAL INTEREST OF THE TOWNSHIP; ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE BONDS; APPOINTING A PAYING AGENT AND SINKING FUND DEPOSITORY; AND AUTHORIZING OTHER NECESSARY ACTION.

WHEREAS, pursuant to the Local Government Unit Debt Act, 53 Pa. Cons. Stat. §8001 *et seq.* (the “Act”), the Township of Concord (the “Township”) may incur indebtedness for the purposes of refunding prior indebtedness; and

WHEREAS, on October 3, 2011, the Township issued nonelectoral debt evidenced by its \$9,445,000 principal amount General Obligation Bonds, Series of 2011 (DCED Approval Nos. GOB-17924 and E-4729, September 22, 2011) (the “2011 Bonds”) which were issued to finance

a refinancing program to achieve debt service savings consisting of: (a) the current refunding of the Township's \$6,550,000 principal amount Guaranteed Open Space Tax Levy Bonds, Series of 2005 (DCED Approval Nos. GRB-199 and E-3780, June 28, 2005) (the "2005 Bonds"); (b) the current refunding of the Township's \$3,000,000 principal amount General Obligation Bonds, Series A of 2006 (DCED Approval No. GOB-16379, September 19, 2006) (the "2006A Bonds"); and (c) the refunding of the Township's \$1,500,000 principal amount General Obligation Bonds, Series B of 2006 (DCED Approval No. GOB-16379, September 19, 2006) (the "2006B Bonds") (the "2011 Refinancing Program") and to pay the costs of issuance of the 2011 Bonds; and

WHEREAS, the 2005 Bonds were issued to finance the acquisition of land and/or certain interests therein for open space and/or recreational use (the "2005 Project") and to pay the costs of issuance of the 2005 Bonds; and

WHEREAS, the 2006A Bonds were issued to finance the acquisition, construction, improvements and renovations of the township's sewage collection, transmission and treatment system, including, but not limited to, the expansion and upgrade of the sewage treatment (the "2006A Project") and to pay the costs of issuance of the 2006A Bonds; and

WHEREAS, the 2006B Bonds were issued to finance various capital projects, including, but not limited to the planning, designing, acquiring, constructing, furnishing and equipping of alterations, renovations and improvements to various properties and existing parks owned by the Township for recreational purposes (the "2006B Project") and to pay the costs of issuance of the 2006B Bonds; and

WHEREAS, the Township has determined to undertake a refinancing program to achieve debt service savings (the "Refinancing Program") consisting of the current refunding of the 2011 Bonds stated to mature on or after December 15, 2034 in the outstanding principal amount of up to \$8,345,000 (the "Refunded Bonds") (consisting of (a) the \$6,295,000 Open Space Refunding Portion (being that portion of the Refunded Bonds financing the 2005 Project and the 2006B Project) and (b) the \$2,050,000 Sewer Refunding Portion (being that portion of the Refunded Bonds financing the 2006A Project)); and

WHEREAS, the Township desires to undertake certain capital projects more fully described herein (including the reimbursement of any costs previously paid by the Township which constitute "preliminary expenditures" that are eligible for reimbursement under the provisions of the Internal Revenue Code and within the meaning of the United States Treasury Regulation 1.150-2(f)(2) and expenditures made for and toward costs and expenses of the Capital Project prior to the issuance of the Bonds (as defined below), including (if applicable) any costs and expenses of the Capital Project paid out of such funds hereafter, or within the past 60 days); and

WHEREAS, the Township desires to incur debt to finance a capital project consisting of the acquisition, construction, improvements and renovations of the Township's sewage collection, transmission and treatment system, including, but not limited to, the expansion and upgrade of the sewage treatment plant (including but not limited to an extension of the gravity

sewer system installed as part of the Concord Woods Subdivision to provide gravity sewer service to the Penns Grant Subdivision) (collectively, the “Capital Project”); and

WHEREAS, the Township has received preliminary realistic cost estimates from professional consultants indicating the approximate sum of \$1,525,000 will be needed to complete the Capital Project; and

WHEREAS, the Township has determined to issue its General Obligation Bonds, Series of 2016 (the “Bonds”) in the maximum aggregate principal amount of \$10,750,000 to finance the Refinancing Program and the Capital Project and the costs and expenses of issuing the Bonds; and

WHEREAS, the Township has determined that it is in the best financial interest of the Township to sell the Bonds at private negotiated sale, and the Township has received a proposal for the purchase of the Bonds (the “Bond Purchase Proposal”) from RBC Capital Markets, LLC, of Philadelphia, Pennsylvania (the “Underwriter”), which it desires to accept; and

WHEREAS, the Board of Supervisors (the “Board”) desires to approve the issuance of the Bonds, approve the Refinancing Program and the Capital Project, and accept the Bond Purchase Proposal of the Underwriter; and

WHEREAS, it is necessary that the indebtedness of Township be increased by a borrowing and sale of the 2016 Bonds; and,

WHEREAS, the proposed increase of debt, together with its non-electoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the Township debt incurring power, pursuant to constitutional and statutory authority to be exceeded.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the Township of Concord and IT IS HEREBY RESOLVED, as follows:

**1. Authorization of the Refinancing Program and the Capital Project and Incurrence of Indebtedness; and Purpose of the Refinancing Program and the Capital Project.** The Township hereby approves the Refinancing Program as described in the recitals hereto and the undertaking and financing of the Capital Project as described in the recitals hereto, and shall incur indebtedness in the form of the Bonds, pursuant to the Act, in the aggregate principal amount not to exceed \$10,750,000 for the purpose of providing funds for and toward the costs of the Refinancing Program and the Capital Project and the financing expenses associated therewith.

It is hereby determined and set forth that the purpose of the Refinancing Program with respect to the refunding of the Refunded Bonds is to reduce the total debt service that would otherwise be payable on the Refunded Bonds over the life of the issue. Attached hereto as **Exhibit B** and made a part hereof is the schedule of the anticipated debt service savings in

connection with the refinancing of the Refunded Bonds computed in accordance with Section 8242(b) of the Act.

It is hereby determined and stated that the useful lives of the projects re-financed with the proceeds of the Refunded Bonds are in excess of the term of the Bonds. The 2005 Project financed by the 2005 Bonds was determined by the Township to have a useful life in excess of 30 years (Ordinance enacted June 7, 2005). The 2006A Project financed by the 2006A Bonds was determined by the Township to have a useful life in excess of 25 years (Ordinance enacted August 29, 2006). The 2006B Project financed by the 2006B Bonds was determined by the Township to have a useful life in excess of 25 years (Ordinance enacted August 29, 2006). The final principal maturity of the Refunded Bonds did not extend beyond the realistic estimated useful life of the 2005 Project, 2006A Project or the 2006B Project. The final principal maturity of the 2016 Bonds does not extend beyond the realistic estimated useful life of 2005 Project, 2006A Project or the 2006B Project, the projects re-finance by the Refunded Bonds, in compliance with Section 8243(a) of the Act.

The Township hereby approves the Capital Project consisting of the acquisition, construction, improvements and renovations of the township's sewage collection, transmission and treatment system, including, but not limited to, the expansion and upgrade of the sewage treatment plant (including but not limited to an extension of the gravity sewer system installed as part of the Concord Woods Subdivision to provide gravity sewer service to the Penns Grant Subdivision) (the "Capital Project"). The Township has received preliminary realistic cost estimates from professional consultants indicating the approximate sum of \$1,525,000 will be needed to complete the Capital Project.

The Township hereby reserves the right to undertake components of the Capital Project in such order and at such time or times as it shall determine and to allocate the proceeds of the Bonds and other available moneys to the final costs of the Capital Project in such amounts and order of priority as it shall determine; but the proceeds of the Bonds shall be used solely to pay the "costs", as defined in the Act, of the Capital Project described herein or, upon appropriate amendment hereto, to pay the costs of other capital projects for which the Township is authorized to incur indebtedness.

The period of useful life of the improvements constituting the Capital Project for which 2016 Bonds is to be issued is estimated to be in excess of twenty (20) years. It is certified that the aggregate principal amount of the 2016 Bonds shall mature prior to the end of the useful life of the Capital Project.

The Township hereby declares its official intent to reimburse itself from the proceeds of Bonds for certain capital expenditures (including any costs of issuance of Bonds) with respect to Capital Project paid within sixty (60) days prior to the date of this Ordinance and to be incurred subsequent to the date of this Resolution and for any costs previously paid by the Township which constitute "preliminary expenditures" that are eligible for reimbursement under the provisions of the Internal Revenue Code and within the meaning of the United States Treasury Regulation 1.150-2(f)(2). This Resolution is intended as a declaration of official intent under Treasury Regulation §1.150-2.

2. **Authorization of Issuance of the Bonds.** The Township hereby authorizes and directs the incurrence of Non-electoral debt, pursuant to the Act and this Ordinance, its General Obligation Bonds, Series of 2016, in an aggregate principal amount not to exceed \$10,750,000, in order to provide funds for and toward the costs of the Refinancing Program and the Capital Project and paying the costs of issuing the Bonds as authorized and provided in Section 1 hereof. The Bonds may be issued in one or more separate series, and if issued in more than one series, each series shall be appropriately designated by year and specific series name.

The Township hereby declares its official intent to reimburse itself from the proceeds of Bonds for certain capital expenditures (including any costs of issuance of Bonds) with respect to Capital Project paid within sixty (60) days prior to the date of this Ordinance and to be incurred subsequent to the date of this Resolution and for any costs previously paid by the Township which constitute "preliminary expenditures" that are eligible for reimbursement under the provisions of the Internal Revenue Code and within the meaning of the United States Treasury Regulation 1.150-2(f)(2). This Resolution is intended as a declaration of official intent under Treasury Regulation §1.150-2.

3. **Type of Indebtedness.** The indebtedness evidenced by the Bonds is nonelectoral debt.

4. **Execution of Debt Statement; Bonds and Other Documents.** The Chairman or Vice Chairperson of the Board of Supervisors of the Township (the "Board") and the Secretary or Treasurer of the Township and their respective successors are hereby authorized and directed to file the Debt Statement required by Section 8110 of the Act, to execute and deliver the Bonds in the name and on behalf of the Township and to take all other action required by the Act or this Ordinance in order to effect the issuance of the Bonds. Said officers or any of them are further authorized to apply to the Department of Community and Economic Development for approval of the debt herein authorized and to file with such application a transcript of the proceedings including a certified copy of this Ordinance, the Debt Statement, a Borrowing Base Certificate signed by the appropriate officials of the Township or by the accountants of the Township responsible for auditing its financial affairs, and to take any and all such further action and to execute and deliver such other documents as may be necessary or proper to comply with all requirements of the Act or to carry out the intent and purpose of this Ordinance. Said officers and their successors are further hereby authorized if, in their opinion, it is advisable to do so, to prepare and file such statements and documents as may be required by Section 8026 or any other section of the Act in order to qualify all or any portion of the existing indebtedness of the Township or of the above authorized indebtedness as subsidized debt or self-liquidating debt.

5. **Type of Bonds.** The Bonds when issued will be general obligation bonds.

6. **Covenant to Pay Debt Service - Pledge of Taxing Power.** The Township hereby covenants with the registered owners of the Bonds: (a) that the Township will include in its budget for each fiscal year for the life of the Bonds, the amount of the debt service on the Bonds which will be payable in each such fiscal year so long as the Bonds shall remain outstanding; (b) that the Township shall appropriate from its general revenues such amounts to the payment of such debt service; and (c) that the Township shall duly and punctually pay or

cause to be paid from the sinking fund hereinafter created the principal of the Bonds and the interest thereon on the dates and at the place and in the manner stated in the Bonds according to the true intent and meaning thereof. For such budgeting, appropriation and payment the Township hereby pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable. The maximum amounts to be budgeted, appropriated and paid pursuant to the foregoing covenants shall not exceed those set forth in **Exhibit C** attached hereto and made a part hereof which are hereby incorporated in the foregoing covenant with the same effect as if the same were specified in the text of such covenant.

7. **Form of Bonds; CUSIP.** The Bonds shall be substantially in the form set forth in **Exhibit A** hereto, with appropriate omissions, insertions and variations.

The Township, pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures (CUSIP) has caused CUSIP numbers to be printed on the Bonds. No representation is made as to the accuracy of said numbers either as printed on the Bonds or as contained in any notice of redemption, and the Township shall have no liability of any sort with respect thereto. Reliance with respect to any redemption notice with respect to the Bonds may be placed only on the identification numbers printed thereon.

8. **Terms of Bonds.** The Bonds shall be issued in fully registered form, in the denomination of \$5,000 or any integral multiple thereof and shall be dated the date of issuance thereof or such other date as the Township and the Underwriter shall agree. The Bonds shall be issued in the aggregate principal amount not to exceed \$10,750,000. The Bonds shall bear interest from the date thereof payable semiannually on June 15 and December 15 of each year, commencing December 15, 2016, in annual principal amounts not to exceed the maximum principal amount for each fiscal year (each, an "Interest Payment Date"). The interest rates on the Bonds shall not exceed the rate shown for each year in **Exhibit C** hereto of 5.00% in years 2016 through 2034. No yield on the Bonds for any stated maturity date in the last two-thirds of the period of the Bonds may be less than that stated for the immediately preceding year. The Bonds shall mature or be subject to sinking fund redemption on December 15 of the years in annual principal amounts not to exceed the maximum principal amount for each fiscal year as set forth in **Exhibit C** hereto.

The Bonds are being amortized so that the debt service on all outstanding debt of the Township following the issuance of the Bonds will be brought more nearly into an overall level annual debt service plan.

The principal of the Bonds shall be payable in lawful money of the United States of America at the corporate trust office of TD Bank, National Association, in Philadelphia, Pennsylvania, which is hereby appointed paying agent and registrar for the Bonds and the sinking fund depository. Interest on the Bonds shall be payable in the manner provided in the form of Bonds set forth in **Exhibit A** hereto.

9. **Redemption of Bonds.** The Bonds shall be subject to redemption prior to maturity, at the option of the Township, as a whole or in part from time to time, in any order of maturity or portion of a maturity as selected by the Township, on a date not earlier than the fifth

(5<sup>th</sup>) anniversary of the issuance of such Bonds, or any date thereafter upon payment of a redemption price of 100% of principal amount plus interest accrued to the redemption date.

For the purpose of selection of Bonds for redemption, any Bond of a denomination greater than \$5,000 shall be treated as representing such number of separate Bonds, each of the denomination of \$5,000, as is obtained by dividing the actual principal amount of such Bond by \$5,000. Any Bond which is to be redeemed only in part shall be surrendered at the corporate trust office of the Paying Agent in Philadelphia, Pennsylvania, together with a duly executed instrument of transfer in form satisfactory to the Paying Agent, and the registered owner of such Bond shall receive, without service charge, a new Bond or Bonds, of any authorized denomination as requested by such registered owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

On the date designated for redemption, and upon deposit with the Paying Agent of funds sufficient for payment of the principal of and accrued interest on the Bonds called for redemption, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and the Bonds or portions thereof so called for redemption shall cease to be entitled to any benefit of security hereunder, and registered owners of the Bonds so called for redemption shall have no rights with respect to the Bonds or portions thereof so called for redemption, except to receive payment of the principal of and accrued interest on the Bonds so called for redemption to the date fixed for redemption.

Notice of any redemption shall be given by first class mail, postage prepaid, mailed to the Paying Agent not less than 30 or more than 60 days before the redemption date to the registered owners of the Bonds at their addresses as they appear on the bond register maintained by the Paying Agent. Such notice shall also be filed by the Paying Agent with the Municipal Securities Rulemaking Board. Such notice shall be given in the name of the Township, shall identify the Bonds to be redeemed (and, in the case of a partial redemption, of any Bonds, the respective principal amounts thereof to be redeemed), shall specify the redemption date and the redemption price, and shall state that on the redemption date the Bonds called for redemption will be payable at the corporate trust office of the Paying Agent in Philadelphia, Pennsylvania and that from the date of redemption interest will cease to accrue. The Paying Agent shall use "CUSIP" numbers (if then generally in use) in notices of redemption as a convenience to Bond owners, provided that any such redemption notice shall state that no representation is made as to the correctness of such numbers either as printed on the Bonds or as contained in any notice of redemption and that reliance may be placed only on the identification numbers prefixed "R-" printed on the Bonds. Failure to mail any notice of redemption, or any defect therein, or in the mailing thereof, with respect to any Bond shall not affect the validity of any proceeding for redemption of other Bonds so called for redemption.

**10. Appointment of Securities Depository.** The Depository Trust Company, New York, New York ("DTC"), shall act as securities depository for the Bonds on behalf of the firms which participate in the DTC book-entry system ("DTC Participants"). The ownership of one fully registered Bond for each maturity of the Bonds will be registered in the name of Cede & Co., as nominee for DTC. Each Bond will be in the aggregate principal amount of such

maturity. The Township shall cause the Bonds to be delivered to DTC for the benefit of the purchaser on or before the date of issuance of the Bonds.

Pursuant to the book-entry only system, any person for whom a DTC Participant acquires an interest in the Bonds (the "Beneficial Owner") will not receive bond certificates and will not be the registered owner thereof. Ownership interest in the Bonds may be purchased by or through DTC Participants. Each DTC Participant will receive a credit balance in the records of DTC in the amount of such DTC Participant's interest in the Bonds, which will be confirmed in accordance with DTC's standard procedures. Receipt by the Beneficial Owners (through any DTC Participant) of timely payment of principal, premium, if any, and interest on the Bonds, is subject to DTC making such payment to DTC Participants and such DTC Participants making payment to Beneficial Owners. Neither the Township nor the Paying Agent will have any direct responsibility or obligation to such DTC Participants or the persons for whom they act as nominees for any failure of DTC to act or make any payment with respect to the Bonds.

The Township is authorized to execute such documents as may be necessary or desirable in connection with DTC's services as securities depository including a blanket letter of representation obligating the Township to give certain notices to DTC and to meet certain requirements relating to Bond payments.

If DTC determines to discontinue providing its services as securities depository with respect to the Bonds at any time, the Township officials then holding the offices set forth in Section 4 of this Ordinance are hereby authorized to designate a successor securities depository or to deliver certificates to or upon the order of the registered owners of the Bonds.

The Township shall give notice or cause the Paying Agent to give notice, to DTC in accordance with the Blanket Letter of Representations for the redemption or other retirement of all of the Bonds. The Township will provide for the form of notice. Upon receipt of such notice, DTC will forward the notice to the DTC Participants for subsequent forwarding of such notice to the Beneficial Owners of the Bonds. The Township will pay the customary charges for such mailing.

**11. Sale of Bonds.** The Bonds shall be sold at private sale by negotiation as hereinafter set forth in Section 14. After due consideration, the Board hereby finds and determines, on the basis of all available information, that a private negotiated sale of the Bonds is in the best financial interest of the Township.

**12. Creation of and Deposits in Sinking Fund.** The Township covenants that there shall be and there is hereby established and that it shall hereafter maintain a sinking fund designated "Sinking Fund – General Obligation Bonds, Series of 2016" to be held by the Paying Agent (or such substitute or successor Paying Agent which shall hereafter be appointed in accordance with the provisions of the Act) in the name of the Township, but subject to withdrawal only by the Paying Agent.



The Township covenants and agrees to deposit in the Sinking Fund no later than each Interest Payment Date the debt service payable on the Bonds on such dates, which shall not exceed the maximum amounts set forth in Exhibit C hereto.

Pending application to the purpose for which the Sinking Fund is established, the Chairman or Vice Chairperson of the Board or the Treasurer of the Township is hereby authorized and directed to cause the monies therein to be invested or deposited and insured or secured as permitted and required by Section 8224 of the Act. All income received on such deposits or investments of monies in the Sinking Fund during each applicable period shall be added to the Sinking Fund and shall be credited against the deposit next required to be made in the Sinking Fund.

The Paying Agent is hereby authorized and directed, without further action by the Township, to pay from the Sinking Fund the principal of and interest on the Bonds as the same become due and payable in accordance with the terms thereof and the Township hereby covenants that such monies, to the extent required, will be applied to such purpose.

All monies deposited in the Sinking Fund for the payment of the Bonds which have not been claimed by the registered owners thereof after two years from the date when payment is due, except where such monies are held for the payment of outstanding checks, drafts or other instruments of the Paying Agent, shall be returned to the Township. Nothing contained herein shall relieve the Township of its liability to the registered owners of the unrepresented Bonds.

**13. No Taxes Assumed.** The Township shall not assume the payment of any tax or taxes in consideration of the purchase of the Bonds.

**14. Award and Sale of Bonds.** The Township hereby awards and sells the Bonds to the Underwriter at a price of no less than ninety-five percent (95%) and no more than one hundred fifteen percent (115%) of the principal amount of the Bonds (including original issue discount or premium and the Underwriters' discount) plus accrued interest from the dated date of the Bonds to the date of delivery and in accordance with the other terms and conditions contained or incorporated in the Bond Purchase Proposal of the Underwriters dated August 2, 2016 which is hereby approved and accepted. The Underwriters' discount shall not exceed 1.00% of the principal amount of the Bonds. A copy of said Bond Purchase Proposal shall be attached to this Ordinance and lodged with the official minutes of this meeting and is hereby incorporated herein by reference. The proper officers of this Township are hereby authorized and directed to endorse the acceptance of this Township on said contract and to deliver executed copies thereof to the Underwriters. The Chairman of the Board or the Township Manager is authorized to accept an addendum to the Bond Purchase Proposal setting forth the final terms of the Bonds within the parameters set forth in this Ordinance.

**15. Contract with Paying Agent.** The proper officers of the Township are authorized to contract with TD Bank, National Association, Philadelphia, Pennsylvania, in connection with the performance of its duties as the Paying Agent and Sinking Fund Depository on usual and customary terms, including an agreement to observe and comply with the provisions of this Ordinance and of the Act.

**16. Redemption of Refunded Debt.** For the Refunded Bonds the Township shall enter into a Pledge and Escrow Agreement (the "Pledge Agreement") with the escrow agent for the bonds to be refunded, TD Bank, National Association (the "Escrow Agent"), providing, among other things for: (a) the certification to such Escrow Agent of the amounts required to pay the principal and interest on the bonds to be refunded to the date of maturity or redemption; (b) the deposit with said Escrow Agent of amounts which, together with the interest thereon, will meet such requirements; (c) the investment of the amounts deposited under the Pledge Agreement in accordance with the applicable regulations under Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"); and (d) the irrevocable pledge of all amounts and investments held under the Pledge Agreement for the payment of the bond to be refunded to the date of maturity or redemption and the application of the principal of and interest on the investments to such purposes. The Pledge Agreement shall be in form and substance as approved by the signing officers of the Township. The Chairman or Vice Chairman and Secretary or Assistant Secretary of the Township are hereby authorized and directed to execute each Pledge Agreement and to deliver the same to the Escrow Agent on behalf of the Township.

The Township hereby calls the Refunded Bonds for redemption on December 15, 2016, subject to the issuance of the Bonds.

The Township shall (a) certify to TD Bank, National Association, as the Paying Agent, the amounts required to pay the principal of and interest on the Refunded Bonds to the date of redemption; (b) deposit with said Paying Agent amounts sufficient to meet such requirements; and (c) irrevocably pledge all amounts held for the payment of the Refunded Bonds to such purposes. The Chairman or Vice Chairperson and Secretary or Assistant Secretary of the Township are hereby authorized and directed to execute all documents necessary to effect such redemption. Upon redemption of the Refunded Bonds, any excess moneys shall be transferred by the Paying Agent to the Paying Agent, and the Paying Agent shall deposit the same in the Sinking Fund for the Bonds.

The Paying Agent and the Escrow Agent are referred to herein collectively as the "Refunded Debt Paying Agent".

**17. Federal Tax Covenants.** The Township hereby covenants not to take or omit to take any action so as to cause interest on the Bonds to be no longer excluded from gross income for purposes of federal income taxation and to otherwise comply with the requirements of Sections 103 and 141 through 150 of the Code, and all applicable regulations promulgated with respect thereto, throughout the term of the Bonds. The Township further covenants that it will make no investments or other use of the proceeds of the Bonds which would cause the Bonds to be "arbitrage bonds" as defined in Section 148 of the Code. The Township further covenants to comply with the rebate requirements (including the prohibited payment provisions) contained in Section 148(f) of the Code and any regulations promulgated thereunder, to the extent applicable, and to pay any interest or penalty imposed by the United States for failure to comply with said rebate requirements, to the extent applicable.

The Township hereby represents and warrants, after due investigation and to the best of its knowledge, that (i) the Bonds are not “private activity bonds” within the meaning of Section 141 of the Code and (ii) the aggregate face amount of “qualified tax-exempt obligations” within the meaning of Section 265(b)(3)(B) of the Code (which includes qualified 501(c)(3) bonds but not any other private activity bonds) issued or to be issued by the Township (and all “subordinate entities” thereof) during the 2011 calendar year is not reasonably expected to exceed \$10,000,000 (other than certain other obligations not required to be taken into account for purposes of Section 265 of the Code). The Township hereby designates all of the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3)(B) of the Code. The Township hereby authorizes the proper officers of the Township to execute a certificate to that effect at the time of closing.

The Township shall, within the time prescribed by law, file Form 8038-G (or such other applicable information return that may be required to be filed in connection therewith), in form and substance satisfactory to Bond Counsel and the Underwriter, which, among other things, shall designate the Bonds as “qualified tax exempt obligations” for the purposes of Section 265 of the Code.

**18. Execution and Authentication of Bonds.** As provided in Section 4, the Bonds shall be executed by the Chairman or the Vice Chairperson of the Board and the Secretary or Treasurer of the Township and each such execution shall be by manual or facsimile signature. If any officer whose signature appears on the Bonds shall cease to hold such office before the actual delivery date of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes as if such person had remained in such office until the actual delivery date of the Bonds. The Bonds shall be authenticated by the manual signature of an authorized representative of the Paying Agent.

**19. Application of Bond Proceeds.** The purchase price for the Bonds payable by the Underwriter shall be paid to the Paying Agent on behalf of the Township. Upon receipt of the purchase price for the Bonds, the Paying Agent shall deposit the same in a settlement account. From the settlement account, the Paying Agent shall pay, or establish reserves for payment of, the costs and expenses of the financing and the proper officers of the Township are authorized to direct the Paying Agent to pay such amounts on behalf of the Township as set forth in written directions to the Paying Agent. The net proceeds of the Bonds shall be deposited with the Refunded Debt Paying Agent as provided in Section 16 hereof.

**20. Approval of Official Statement.** The preparation of a Preliminary Official Statement is hereby approved with such subsequent, necessary and appropriate additions or other changes as may be approved by the proper officer of the Township with the advice of counsel. The use and distribution of the Preliminary Official Statement by the Underwriter, and the distribution thereof on and after the date hereof, with such subsequent additions or other changes as aforesaid, is hereby authorized in connection with the public offering by the Underwriter of the Bonds, and shall be deemed final as a condition of the Bond Purchase Proposal. The Township Manager or the Assistant Township Manager is hereby authorized to approve and “deem final” the Preliminary Official Statement for the Bonds for purposes of United States

Securities and Exchange Commission Rule 15c2-12. A final Official Statement containing the final terms of the Bonds, shall be prepared and delivered to the Underwriters within seven (7) business days from the date of establishment of the final terms of the Bonds, and the Township hereby approves the use thereof in connection with the public offering and sale of the Bonds.

**21. Continuing Disclosure.** The Township hereby authorizes and directs the appropriate officers to execute and deliver a Continuing Disclosure Agreement or a supplement to an existing Continuing Disclosure Agreement of the Township (the “Continuing Disclosure Agreement”) if and to the extent required by law. The Township further covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Ordinance, failure of the Township to comply with the Continuing Disclosure Agreement shall not be considered an event of default hereunder; however, the Paying Agent, any Participating Underwriters (as defined in the Continuing Disclosure Agreement), or any Bondholder may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Township to comply with its obligations under this Section.

**22. Covenant to Pledge Sufficient Funds.** The Township hereby covenants and agrees that, concurrently with the issuance of and payment for the Bonds, the Township will have irrevocably pledged with the Refunded Debt Paying Agent an amount sufficient to pay the redemption price on the Refunded Debt on the date of redemption thereof.

**23. Officers Authorized to Act.** For the purpose of expediting the closing and the issuance and delivery of the Bonds, or in the event that the Chairman of the Board or the Secretary of the Township shall be absent or otherwise unavailable for the purpose of executing documents, or for the purpose of taking any other action which they or any of them may be authorized to take pursuant to this Ordinance, the Vice Chairperson of the Board or the Assistant Secretary or Assistant Treasurer of the Township, respectively, are hereby authorized and directed to execute documents, or otherwise to act on behalf of the Township in their stead.

**24. Bond Insurance.** If deemed financially advantageous to the Township in connection with the issuance of the Bonds, the officers of the Township are hereby authorized to purchase a policy of insurance guaranteeing the payment of the principal of and interest on the Bonds, to pay the premium for such policy from the proceeds of the Bonds and to execute such documents as may be necessary to effect the issuance of such policy. If applicable, the Bonds issued under this Ordinance may include a statement of the terms of such insurance policy and the Authentication Certificate of the Paying Agent appearing on each Bond may include a statement confirming that the original or a copy of the insurance policy is on file with the Paying Agent.

**25. Contract with Bond Owners.** This Ordinance constitutes a contract with the registered owners of the Bonds outstanding hereunder and shall be enforceable in accordance with the provisions of the laws of the Commonwealth of Pennsylvania.

**26. Binding Effect of Covenants and Agreements.** All covenants, obligations and agreements of the Township set forth in this Ordinance and in the documents authorized hereby

shall be deemed to be the covenants, obligations and agreements of the Township to the full extent authorized or permitted by law, and all such covenants, obligations and agreements shall be binding upon the Township and its successors from time to time and upon any board or body to which any powers or duties affecting the same shall be transferred by or in accordance with law. Except as otherwise provided in this Ordinance, all rights, powers and privileges conferred and duties and liabilities imposed upon the Township or the members thereof by the provisions of this Ordinance or the documents authorized hereby shall be exercised or performed, by such members, officers or other representatives of the Township as may be required or permitted by law to exercise or perform the same. No covenant, obligation or agreement herein contained or contained in any documents authorized hereby shall be deemed to be a covenant, obligation or agreement of any supervisor, officer, agent or employee of the Township in his or her individual capacity and neither the supervisors of the Township nor any officer executing the other documents authorized by this Ordinance shall be liable personally thereunder or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

27. **Bond Counsel.** The Township hereby appoints McNichol, Byrne & Matlawski, P.C. to act as Bond Counsel to the Township with respect to the transactions contemplated by this Ordinance.

28. **Further Action.** The proper officers of the Township are hereby authorized and directed to take all such action, execute, deliver, file and/or record all such documents, publish all notices and otherwise comply with the provisions of this Ordinance and the Act in the name and on behalf of the Township.

29. **Severability.** In case any one or more of the provisions contained in this Ordinance or in any Bond shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Ordinance or of said Bonds, and this Ordinance or said Bonds shall be construed and enforced as if such invalid, illegal or unenforceable provisions had never been contained therein.

30. **Repealer.** All Ordinance and parts of Ordinance heretofore enacted to the extent that the same are inconsistent herewith are hereby repealed.

31. Effective Date. This Ordinance shall take effect on the earliest date permitted by the Act.

ENACTED this 2nd day of August, 2016.

(TOWNSHIP SEAL)

TOWNSHIP OF CONCORD

ATTEST

  
Brenda L. Lamanna  
Secretary

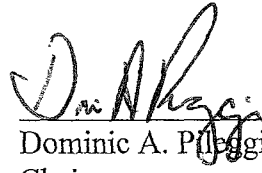
  
Dominic A. Pilggi  
Chairman  
Board of Supervisors

EXHIBIT A

[FORM OF BOND]

UNITED STATES OF AMERICA

COMMONWEALTH OF PENNSYLVANIA

TOWNSHIP OF CONCORD

GENERAL OBLIGATION BOND, SERIES OF 2016

No. R- \_\_\_\_\_ \$ \_\_\_\_\_

INTEREST RATE	MATURITY DATE	ORIGINAL ISSUANCE DATE	CUSIP
	December 15, _____	_____, 2016	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: \_\_\_\_\_ DOLLARS

Township of Concord, Delaware County, Pennsylvania (the "Township"), a political subdivision of the Commonwealth of Pennsylvania, for value received, hereby promises to pay to the registered owner hereof on the Maturity Date set forth above the Principal Sum set forth above, unless this Bond shall have been called for redemption and payment of the redemption price shall have been made or duly provided for, and to pay interest thereon from the Original Issuance Date set forth above or the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually on June 15 and December 15 of each year, commencing December 15, 2016 (each, an "Interest Payment Date"), at the interest rate specified above, calculated on the basis of a 360-day year of twelve 30-day months until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from \_\_\_\_\_, 2016.

The principal of this Bond is payable upon presentation and surrender hereof at the corporate trust office of TD Bank, National Association, in Philadelphia, Pennsylvania (the "Paying Agent"). Interest on this Bond will be paid on each Interest Payment Date by check mailed to the person in whose name this Bond is registered on the registration books of the Township maintained by the Paying Agent, as bond registrar, at the address appearing, thereon at the close of business on the fifteenth (15<sup>th</sup>) day (whether or not a day on which the Paying Agent is open for business) next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner hereof as of the Regular Record Date, and shall be payable to the person who is the registered owner hereof at the close of business on a Special Record Date for

the payment of such defaulted interest. Such Special Record Date shall be fixed by the Paying Agent whenever monies become available for payment of the defaulted interest, and notice of the Special Record Date and payment date for such interest shall be given by first class mail to the registered owners of the Bonds not less than ten (10) days prior to the Special Record Date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5<sup>th</sup>) day preceding the date of mailing. The principal of and interest on this Bond are payable in lawful money of the United States of America.

Interest is payable to the registered owner of a Bond from the first Interest Payment Date occurring after the date of issuance of the Bond, unless: (a) such Bond is registered and authenticated as of an Interest Payment Date, in which event such Bond shall bear interest from said Interest Payment Date; or (b) such Bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding Interest Payment Date, in which event such Bond shall bear interest from such Interest Payment Date; or (c) such Bond is registered and authenticated on or prior to the Record Date next preceding the first Interest Payment Date after the date of delivery, in which event such Bond shall bear interest from the date of delivery; or (d) as shown by the records of the Paying Agent, interest on such Bond shall be in default, in which event such Bond shall bear interest from the date on which interest was last paid on such Bond

Notwithstanding the foregoing, so long as this Bond is registered in the name of The Depository Trust Company (“DTC”) or its nominee, Cede & Co., payment of principal and interest on this Bond shall be payable in the manner and at the respective times of payment provided for in DTC’s Operational Arrangements, as they may be amended from time to time.

This Bond is one of a duly authorized issue of General Obligation Bonds, Series of 2016, of the Township in the aggregate principal amount of \$\_\_\_\_\_ (the “Bonds”) issued in fully registered form in denominations of \$5,000 and integral multiples of \$5,000 in excess thereof, all issued in accordance with the Local Government Unit Debt Act, 53 Pa. Cons. Stat. §8001 et seq., as amended (the “Act”), and pursuant to a Ordinance of the Board of Supervisors of the Township duly enacted on August 2, 2016 (the “Ordinance”) and a Paying Agent Agreement between the Township and the Paying Agent dated as of \_\_\_\_\_, 2016 (the “Paying Agent Agreement”). The Bonds are issued for the purpose of (a) currently refunding the Township’s outstanding General Obligation Bonds, Series of 2011, (b) financing certain Capital Project consisting of the acquisition, construction, improvements and renovations of the Township’s sewage collection, transmission and treatment system, including, but not limited to, the expansion and upgrade of the sewage treatment plant, and (c) paying the costs of issuing the Bonds.

Under the laws of the Commonwealth of Pennsylvania, this Bond and the interest thereon shall at all times be free from taxation within the Commonwealth of Pennsylvania, but this exemption shall not extend to gift, estate, succession or inheritance taxes or to any other taxes not levied or assessed directly on this Bond or the interest thereon. Profits, gains or income derived from the sale, exchange, or other disposition of this Bond are subject to state and local taxation.



The Bonds maturing on or after December 15, 20\_\_ are subject to redemption prior to maturity at the option of the Township as a whole or from time to time in part, in any order of maturity or portion of a maturity as selected by the Township on \_\_\_\_\_, 20\_\_ or any date thereafter, upon payment of a redemption price of 100% of principal amount plus interest accrued to the redemption date. If less than an entire year's maturity of Bonds are to be redeemed at any particular time, such Bonds so to be called for redemption shall be chosen by lot by the Paying Agent.

The Bonds stated to mature on December 15, \_\_\_\_ and December 15, \_\_\_\_ (the "Term Bonds") are subject to mandatory redemption prior to their stated maturity by lot by the Township from monies to be deposited in the Sinking Fund established under the Ordinance at a redemption. The Township hereby covenants that it will cause the Paying Agent to select by lot, to give notice of redemption and to redeem Term Bonds at said price from monies deposited in the Sinking Fund sufficient to effect such redemption (to the extent that Term Bonds shall not have been previously purchased from said monies by the Township as permitted under the Ordinance) on December 15 of the years, from the maturities and in the annual principal amounts set forth in the following schedule (or such lesser principal amount as shall at the time represent all Term Bonds which shall then be outstanding):

Mandatory Redemption Schedule

<u>Redemption Date</u> <u>(December 15)</u>	<u>Maturity From</u> <u>Which Selected</u>	<u>Principal Amount to be</u> <u>Redeemed or Purchased</u>
--	---	---

For the purpose of selection of Bonds for redemption, any Bond of a denomination greater than \$5,000 shall be treated as representing such number of separate Bonds, each of the denomination of \$5,000, as is obtained by dividing the actual principal amount of such Bond by \$5,000. Any Bond which is to be redeemed only in part shall be surrendered at the corporate trust office of the Paying Agent in Philadelphia, Pennsylvania, together with a duly executed instrument of transfer in form satisfactory to the Paying Agent, and the registered owner of such Bond shall receive, without service charge, a new Bond or Bonds, of any authorized denomination as requested by such registered owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

On the date designated for redemption, and upon deposit with the Paying Agent of funds sufficient for payment of the principal of and accrued interest on the Bonds called for redemption, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and the Bonds or portions thereof so called for redemption shall cease to be entitled to any benefit of security hereunder, and registered owners of the Bonds so called for redemption, except to receive payment of the principal of and accrued interest on the Bonds so called for redemption to the date fixed for redemption.

Notice of any redemption shall be given by first class mail, postage prepaid, mailed by the Paying Agent not less than 30 or more than 60 days before the redemption date to the registered owners of the bonds at their addresses as they appear on the Bond register maintained by the Paying Agent. Such notice shall also be filed by the Paying Agent with the Municipal Securities Rulemaking Board. Such notice shall be given in the name of the Township, shall identify the Bonds to be redeemed (and, in the case of a partial redemption, of any Bonds, the respective principal amounts thereof to be redeemed), shall specify the redemption date and the redemption price, and shall state that on the redemption date the Bonds called for redemption will be payable at the corporate trust office of the Paying Agent in Philadelphia, Pennsylvania and that from the date of redemption interest will cease to accrue. The Paying Agent shall use "CUSIP" numbers (if then generally in use) in notices of redemption as a convenience to Bond owners, provided that any such redemption notice shall state that no representation is made as to the correctness of such numbers either as printed on the Bonds or as contained in any notice of redemption and the reliance may be placed only on the identification numbers prefixed "R-" printed on the Bonds. Failure to mail any notice of redemption, or any defect therein, or in the mailing thereof, with respect to any Bond shall not affect the validity of any proceeding for redemption of other Bonds so called for redemption.

With respect to any optional redemption Bonds, if at the time of mailing such notice of redemption, the Township shall not have deposited with the Paying Agent monies sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption monies with the Paying Agent not later than the redemption date, and such notice shall be of no effect unless such monies are so deposited.

The Township and the Paying Agent may treat the person in whose name this Bond is registered on the Bond register maintained by the Paying Agent as the absolute owner of this Bond for all purposes and neither the Township nor the Paying Agent shall be affected by any notice to the contrary. The Bonds are being issued by means of a book-entry system, with actual bond certificates evidencing ownership of the Bonds immobilized at DTC, New York, New York (the "Securities Depository"), or its successor as Securities Depository. Transfers of beneficial ownership of the Bonds shall be effected on the records of the Securities Depository and its participants pursuant to the rules and procedures established by the Securities Depository.

So long as the Bonds are issued in book-entry form, actual bond certificates are not available for distribution to the beneficial owners and the principal and interest on the Bonds are payable to Cede & Co., as nominee of the Securities Depository. Transfer of principal and interest payments to participants of the Securities Depository is the responsibility of the Securities Depository; transfers of principal and interest to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of beneficial owners. The Township and the Paying Agent are not responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants. If the Bonds are no longer registered to a Securities Depository or its nominee, the Bonds are transferable by the registered owners thereof, subject to payment of any required tax, fee or other governmental charge, upon presentation and surrender at the corporate trust office of the Paying Agent in,

Philadelphia, Pennsylvania, together with a duly executed instrument of transfer in form satisfactory to the Paying Agent. The Paying Agent shall not be required: (i) to issue, transfer or exchange any of the Bonds during a period beginning at the close of business on the fifth (5<sup>th</sup>) day next preceding the day of selection of Bonds to be redeemed and ending at the close of business on the day on which such notice is given, or (ii) to transfer or exchange any Bond selected for redemption in whole or in part.

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

Whenever the due date for payment of interest on or principal of this Bond shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the Commonwealth of Pennsylvania or in the jurisdiction in which the corporate trust or payment office of the paying agent is located are authorized by law to close (a "Holiday"), then the payment of such interest or principal need not be made on such date, but may be made on the succeeding day which is not a Holiday, with the same force and effect as if made on the due date for payment of principal or interest.

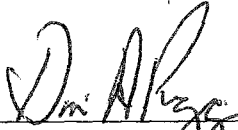
It is hereby certified that the approval of the Department of Community and Economic Development of the Commonwealth of Pennsylvania for the Township to issue and deliver this Bond has been duly given pursuant to the Act; that all acts, conditions and things required by the laws of the Commonwealth of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

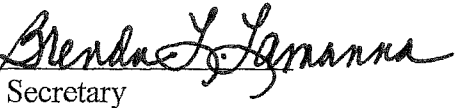
[The Township has designated this Bond as a "qualified tax-exempt obligation" for the purposes of section 265(b)(3)(B) of the Code (relating to the deductibility of interest expense by certain financial institutions).]

This Bond shall not be entitled to any benefit under the Ordinance or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the Paying Agent by execution of the certificate endorsed hereon.

IN WITNESS WHEREOF, the Township of Concord, Delaware County, Pennsylvania has caused this Bond to be signed in its name and on its behalf by the signature of the Chairman of its Board of Supervisors and an impression of its corporate seal to be hereunto affixed, duly attested by the signature of the Secretary of the Township.

TOWNSHIP OF CONCORD

By:   
Chairman, Board of Supervisors

Attest:   
Secretary

(SEAL)

AUTHENTICATION CERTIFICATE

This Bond is one of the Township of Concord General Obligation Bonds, Series of 2016, described in the within mentioned Ordinance.

DATE OF AUTHENTICATION:

TD BANK, NATIONAL ASSOCIATION,  
Paying Agent

By: \_\_\_\_\_  
Authorized Representative

ASSIGNMENT AND TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR  
EMPLOYER IDENTIFICATION NUMBER OF  
ASSIGNEE

\_\_\_\_\_ / \_\_\_\_\_ /

\_\_\_\_\_ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

\_\_\_\_\_ attorney to transfer said Bond on the books of the within named Paying Agent, with full power of substitution in the premises.

Dated:

Signature Guaranteed by:

\_\_\_\_\_  
NOTICE: signature(s) must be guaranteed by an eligible guarantor institution, an institution which is a participant in a Securities Transfer Association recognized signature guaranteed program.

\_\_\_\_\_  
NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

\_\_\_\_\_  
(Authorized Signature)

[END OF BOND FORM]

TOWNSHIP OF CONCORD

General Obligation Bonds, Series of 2016

**EXHIBIT B**

**SCHEDULE OF ESTIMATED DEBT SERVICE SAVINGS RELATED TO THE  
REFUNDING OF THE 2011 REFUNDED BONDS  
IN ACCORDANCE WITH SECTION 8242(b) OF THE ACT**

SAVINGS

TOWNSHIP OF CONCORD  
General Obligation Bonds, Series of 2016 (Open Space Refunding Portion)

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 09/16/2016 @ 2.2816766%
12/31/2016	98,391.25	32,265.47	66,125.78	65,755.93
12/31/2017	501,782.50	130,512.00	371,270.50	361,279.57
12/31/2018	495,682.50	370,512.00	125,170.50	119,274.91
12/31/2019	504,582.50	507,296.00	(2,713.50)	(2,217.21)
12/31/2020	497,382.50	496,938.00	444.50	690.88
12/31/2021	499,382.50	496,275.50	3,107.00	3,027.22
12/31/2022	500,472.50	500,081.50	391.00	588.79
12/31/2023	505,272.50	508,139.50	(2,867.00)	(2,204.22)
12/31/2024	499,622.50	500,404.00	(781.50)	(438.95)
12/31/2025	503,372.50	502,304.00	1,068.50	1,056.21
12/31/2026	501,185.00	498,589.00	2,596.00	2,227.46
12/31/2027	388,287.50	389,349.00	(1,061.50)	(672.44)
12/31/2028	392,600.00	391,989.00	611.00	595.02
12/31/2029	386,350.00	389,201.00	(2,851.00)	(1,996.25)
12/31/2030	389,912.50	391,127.50	(1,215.00)	(781.22)
12/31/2031	392,112.50	387,640.50	4,472.00	3,242.83
12/31/2032	383,712.50	383,855.50	(143.00)	(40.29)
12/31/2033	385,112.50	384,767.50	345.00	273.18
12/31/2034	390,468.76	395,241.00	(4,772.24)	(3,134.79)
	8,215,685.01	7,656,487.97	559,197.04	546,526.63

Savings Summary

PV of savings from cash flow	546,526.63
Plus: Refunding funds on hand	2,826.27
Net PV Savings	549,352.90



SAVINGS

TOWNSHIP OF CONCORD  
 General Obligation Bonds, Series of 2016 (Sewer Refunding Portion)

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 09/16/2016 @ 2.2816766%
12/31/2016	25,933.75	23,254.01	2,679.74	2,664.75
12/31/2017	221,867.50	213,274.50	8,593.00	8,456.36
12/31/2018	223,467.50	215,988.50	7,479.00	7,202.00
12/31/2019	219,967.50	213,509.50	6,458.00	6,086.54
12/31/2020	216,030.00	210,901.00	5,129.00	4,736.21
12/31/2021	221,655.00	213,107.50	8,547.50	7,656.79
12/31/2022	221,660.00	215,010.50	6,649.50	5,828.45
12/31/2023	220,960.00	211,539.50	9,420.50	8,037.79
12/31/2024	220,110.00	212,815.00	7,295.00	6,084.64
12/31/2025	223,860.00	213,815.00	10,045.00	8,167.30
12/31/2026	217,035.00	209,510.00	7,525.00	5,975.44
	2,232,546.25	2,152,725.01	79,821.24	70,896.26

Savings Summary

PV of savings from cash flow	70,896.26
Plus: Refunding funds on hand	2,827.89
Net PV Savings	73,724.15

SAVINGS

TOWNSHIP OF CONCORD  
 Delaware County, Pennsylvania  
 General Obligation Bonds, Series of 2016

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 09/16/2016 @ 2.2816766%
12/31/2016	124,325.00	55,519.48	68,805.52	68,420.68
12/31/2017	723,650.00	343,786.50	379,863.50	369,735.93
12/31/2018	719,150.00	586,500.50	132,649.50	126,476.91
12/31/2019	724,550.00	720,805.50	3,744.50	3,869.33
12/31/2020	713,412.50	707,839.00	5,573.50	5,427.09
12/31/2021	721,037.50	709,383.00	11,654.50	10,684.01
12/31/2022	722,132.50	715,092.00	7,040.50	6,417.23
12/31/2023	726,232.50	719,679.00	6,553.50	5,833.57
12/31/2024	719,732.50	713,219.00	6,513.50	5,645.69
12/31/2025	727,232.50	716,119.00	11,113.50	9,223.51
12/31/2026	718,220.00	708,099.00	10,121.00	8,202.90
12/31/2027	388,287.50	389,349.00	(1,061.50)	(672.44)
12/31/2028	392,600.00	391,989.00	611.00	595.02
12/31/2029	386,350.00	389,201.00	(2,851.00)	(1,996.25)
12/31/2030	389,912.50	391,127.50	(1,215.00)	(781.22)
12/31/2031	392,112.50	387,640.50	4,472.00	3,242.83
12/31/2032	383,712.50	383,855.50	(143.00)	(40.29)
12/31/2033	385,112.50	384,767.50	345.00	273.18
12/31/2034	390,468.76	395,241.00	(4,772.24)	(3,134.79)
	10,448,231.26	9,809,212.98	639,018.28	617,422.89

Savings Summary

PV of savings from cash flow	617,422.89
Plus: Refunding funds on hand	5,654.16
Net PV Savings	623,077.05

SUMMARY OF REFUNDING RESULTS

TOWNSHIP OF CONCORD  
 Delaware County, Pennsylvania  
 General Obligation Bonds, Series of 2016

	General Obligation Bonds, Series of 2016 (Open Space Refunding Portion)	General Obligation Bonds, Series of 2016 (Sewer Refunding Portion)	Total
Dated Date	09/16/2016	09/16/2016	09/16/2016
Delivery Date	09/16/2016	09/16/2016	09/16/2016
Arbitrage Yield	2.281677%	2.281677%	2.281677%
Escrow Yield	0.289347%	0.289347%	0.289347%
Value of Negative Arbitrage	29,800.51	9,322.72	39,123.23
Bond Par Amount	6,195,000.00	1,940,000.00	8,135,000.00
True Interest Cost	2.365221%	2.014236%	2.309830%
Net Interest Cost	2.369816%	2.010463%	2.315605%
All-In TIC	2.441402%	2.139746%	2.393722%
Average Coupon	2.296798%	1.881754%	2.234186%
Average Life	10.271	5.827	9.212
Par amount of refunded bonds	6,010,000.00	1,885,000.00	7,895,000.00
Average coupon of refunded bonds	3.632542%	2.977784%	3.528356%
Average life of refunded bonds	9.875	5.958	8.940
PV of prior debt	6,741,219.55	1,968,677.14	8,709,896.70
Net PV Savings	549,352.90	73,724.15	623,077.05
Percentage savings of refunded bonds	9.140647%	3.911095%	7.892046%
Percentage savings of refunding bonds	8.867682%	3.800214%	7.659214%

TOWNSHIP OF CONCORD  
General Obligation Bonds, Series of 2016

**EXHIBIT C**

**MAXIMUM BOND AMORTIZATION SCHEDULE**

BOND DEBT SERVICE

TOWNSHIP OF CONCORD

Maximum Parameters - General Obligation Bonds, Series of 2016

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/15/2016	20,000	5.000%	132,881.94	152,881.94	
12/31/2016					152,881.94
06/15/2017			268,250.00	268,250.00	
12/15/2017	200,000	5.000%	268,250.00	468,250.00	
12/31/2017					736,500.00
06/15/2018			263,250.00	263,250.00	
12/15/2018	475,000	5.000%	263,250.00	738,250.00	
12/31/2018					1,001,500.00
06/15/2019			251,375.00	251,375.00	
12/15/2019	630,000	5.000%	251,375.00	881,375.00	
12/31/2019					1,132,750.00
06/15/2020			235,625.00	235,625.00	
12/15/2020	625,000	5.000%	235,625.00	860,625.00	
12/31/2020					1,096,250.00
06/15/2021			220,000.00	220,000.00	
12/15/2021	635,000	5.000%	220,000.00	855,000.00	
12/31/2021					1,075,000.00
06/15/2022			204,125.00	204,125.00	
12/15/2022	650,000	5.000%	204,125.00	854,125.00	
12/31/2022					1,058,250.00
06/15/2023			187,875.00	187,875.00	
12/15/2023	665,000	5.000%	187,875.00	852,875.00	
12/31/2023					1,040,750.00
06/15/2024			171,250.00	171,250.00	
12/15/2024	675,000	5.000%	171,250.00	846,250.00	
12/31/2024					1,017,500.00
06/15/2025			154,375.00	154,375.00	
12/15/2025	690,000	5.000%	154,375.00	844,375.00	
12/31/2025					998,750.00
06/15/2026			137,125.00	137,125.00	
12/15/2026	695,000	5.000%	137,125.00	832,125.00	
12/31/2026					969,250.00
06/15/2027			119,750.00	119,750.00	
12/15/2027	550,000	5.000%	119,750.00	669,750.00	
12/31/2027					789,500.00
06/15/2028			106,000.00	106,000.00	
12/15/2028	565,000	5.000%	106,000.00	671,000.00	
12/31/2028					777,000.00
06/15/2029			91,875.00	91,875.00	
12/15/2029	580,000	5.000%	91,875.00	671,875.00	
12/31/2029					769,750.00
06/15/2030			77,375.00	77,375.00	
12/15/2030	595,000	5.000%	77,375.00	672,375.00	
12/31/2030					749,750.00
06/15/2031			62,500.00	62,500.00	
12/15/2031	605,000	5.000%	62,500.00	667,500.00	
12/31/2031					730,000.00
06/15/2032			47,375.00	47,375.00	
12/15/2032	610,000	5.000%	47,375.00	657,375.00	
12/31/2032					704,750.00
06/15/2033			32,125.00	32,125.00	
12/15/2033	630,000	5.000%	32,125.00	662,125.00	

BOND DEBT SERVICE

TOWNSHIP OF CONCORD  
 Maximum Parameters - General Obligation Bonds, Series of 2016

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/31/2033					694,250.00
06/15/2034			16,375.00	16,375.00	
12/15/2034	655,000	5.000%	16,375.00	671,375.00	
12/31/2034					687,750.00
	10,750,000		5,426,131.94	16,176,131.94	16,176,131.94

**CERTIFICATE OF SECRETARY**

The undersigned, Secretary of the Township of Concord HEREBY CERTIFIES that:

The foregoing Ordinance authorizing the issuance of General Obligation Bonds, Series of 2016 of the Township was duly moved and seconded and enacted by a majority vote of all the Board of Supervisors of said Township at a duly called and convened meeting of said Board held on August 2, 2016; that public notice of said meeting was given as required by law; and that the roll of the Board of Supervisors was called and such members voted or were absent as follows:

<u>Name</u>	<u>Vote</u>
Dominic A. Pileggi, Chairman	<u>Yes</u>
John J. Gillespie, Vice Chairperson	<u>Yes</u>
Elizabeth A. "Libby" Salvucci.	<u>Yes</u>
Gail M. Ryan	<u>Yes</u>
Thomas J. Mahoney	<u>Abstain</u>

and that such Ordinance and the votes thereon have been duly recorded in the minutes.

WITNESS my hand and seal of the Township this 2<sup>nd</sup> day of August, 2016.

  
Brenda L. Lamanna, Township Secretary

(SEAL)

TOWNSHIP OF CONCORD  
(Delaware County, Pennsylvania)

DEBT STATEMENT  
(Local Government Unit Debt Act, as amended)

In Connection with the Issuance of  
General Obligation Bond, Series of 2016

Prepared as of August 2, 2016

I.	Gross Indebtedness:	
A.	Debt Outstanding	
1.	Electoral	\$-0-
2.	Nonelectoral	
	Guaranteed General Obligation Bonds, Series of 2011 <sup>1</sup>	\$450,000
	General Obligation Bonds, Series A of 2015	\$1,518,000
	General Obligation Note, Series B of 2015	\$3,000,000
3.	Lease Rental Debt	\$-0-
B.	Contracts and Other Debt	\$-0-
C.	Total Gross Incurred Debt	\$4,968,000
II.	Credits and Exclusions Presently Claimed	
A.	Guaranteed General Obligation Bonds, Series of 2011 <sup>2</sup>	\$450,000
III.	Aggregate Principal Amount of Debt Being Issued (Nonelectoral) <sup>3</sup>	\$9,970,000
IV.	Borrowing Base of Township	\$6,110,033
V.	Applicable Nonelectoral Debt Limit (250% of Borrowing Base)	\$15,275,082.50
VI.	Applicable Limit for Nonelectoral Debt Plus Lease Rental Debt (350% of Borrowing Base)	\$21,385,115.50

<sup>1</sup> The outstanding General Obligation Bonds, Series of 2011 stated to mature on or after December 15, 2017 in the amount of \$8,345,000 (Approval No. GOB-17924, September 22, 2011) are being currently refunded. The 2011 Bonds stated to mature on December 15, 2011 (\$450,000) will not be refunded.

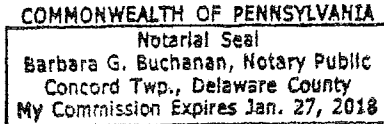
<sup>2</sup> The General Obligation Bonds, Series of 2011 were determined to be self-liquidating under Section 8026 of the Act (Approval No. E-4729, September 22, 2011). No decrease in the amount so excluded is required by any change of circumstances, other than decreases resulting from the payment of the self-liquidating portion of such 2011 Bonds.

<sup>3</sup> The Township, concurrent with the Application for Approval of subject debt, is filing an Application for Approval of Self-Liquidating Debt, in the amount of \$6,056,000, pursuant to Section 8026 of the Act.



The undersigned officers of the Township of Concord, Delaware County, Pennsylvania, being duly sworn according to law, do hereby verify to the best of their knowledge, information and belief that the foregoing Debt Statement is a full and accurate statement of the debt of said Township as of August 2, 2016, prepared in connection with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as amended.

(TOWNSHIP SEAL)



TOWNSHIP OF CONCORD

By: *Don A. Pegg*  
Chairman, Board of Township  
Supervisors

By: *Brenda L. Lomanna*  
Secretary

Sworn to and subscribed before  
me this 2<sup>nd</sup> day of August, 2016.

*Barbara D. Buchanan*  
Notary Public

My Commission Expires: January 27, 2018

TOWNSHIP OF CONCORD  
(Delaware County, Pennsylvania)

BORROWING BASE CERTIFICATE  
UNDER SECTION 8002 OF THE  
LOCAL GOVERNMENT UNIT DEBT ACT  
OF THE COMMONWEALTH OF PENNSYLVANIA

Prepared as of August 2, 2016

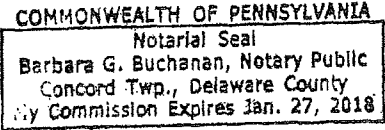
	<u>Fiscal Year Ended December 31</u>		
	<u>2013</u>	<u>2014</u>	<u>2015</u>
Gross Revenue Received	\$5,826,531	\$6,398,381	\$7,435,148
Deductions pursuant to Section 8002(c) of the Act			
i) Subsidy – rentals and sinking fund payments	-0-	-0-	-0-
ii) Project revenues, receipts pledged to self-liquidating debt or for payments - under leases or guarantees	331,195	499,883	498,883
iii) Sinking Fund earnings for debt service			
iv) Grants for acquisition of specific projects	0	-0-	-0-
v) Sale of Capital Assets	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total deductions	331,195	499,883	498,883
Total revenues as defined in Section 8002(c) of the Act	\$5,495,336	\$5,898,498	\$6,936,265
Summary of total revenues as defined in Section 8002(c) of the Act for the three years ending December 31, 2015			
Fiscal year ended December 31, 2013			\$5,495,336
Fiscal year ended December 31, 2014			\$5,898,498
Fiscal year ended December 31, 2015			<u>\$6,936,265</u>
TOTAL			\$18,330,099
Borrowing Base as defined in Section 8002(c) of the Act (Arithmetic average for the three years ended December 31, 2015)			\$6,110,033

The undersigned authorized officials of the Township of Concord, being duly sworn according to law, do hereby depose and say that the foregoing Borrowing Base Certificate is true and correct to the best of our knowledge, information and belief.

TOWNSHIP OF CONCORD

(TOWNSHIP SEAL)

By: *Don A. Riggs*  
Chairman, Board of Township Supervisors



By: *Shirley L. Lamanna*  
Secretary

Sworn to and subscribed before me this 2<sup>nd</sup> day of August, 2016

*Barbara G. Buchanan*  
Notary Public

My Commission Expires: January 27, 2018