

ORDINANCE NO: __-2021

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF BERKS, PENNSYLVANIA, AUTHORIZING AND DIRECTING INCURRING OF NONELECTORAL DEBT THROUGH THE ISSUANCE OF TWO SERIES OF GENERAL OBLIGATION NOTES OF THE COUNTY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED THIRTY MILLION FIVE HUNDRED THOUSAND DOLLARS (\$30,500,000) PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT, 53 PA.C.S., CHAPTERS 80-82, AS AMENDED (THE "ACT"); FINDING THAT A PRIVATE SALE BY NEGOTIATION IS IN THE BEST FINANCIAL INTERESTS OF THE COUNTY; DETERMINING THAT SUCH NOTES SHALL EVIDENCE NONELECTORAL DEBT OF THE COUNTY; SPECIFYING THAT SUCH INDEBTEDNESS IS TO BE INCURRED TO PROVIDE FUNDS FOR CERTAIN PROJECTS OF THE COUNTY WHICH INCLUDE, AMONG OTHER THINGS: (A) THE CURRENT REFUNDING OF THE COUNTY'S GENERAL OBLIGATION BONDS, SERIES B OF 2010 (FEDERALLY TAXABLE – ISSUER SUBSIDY – RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS); (B) THE ADVANCE REFUNDING OF A PORTION OF THE COUNTY'S GENERAL OBLIGATION BONDS, SERIES OF 2015; (C) THE CURRENT REFUNDING OF THE COUNTY'S GENERAL OBLIGATION BONDS, SERIES OF 2016; AND (D) THE PAYMENT OF THE COSTS AND EXPENSES OF ISSUING THE NOTES; SETTING FORTH THE REMAINING REASONABLE ESTIMATED USEFUL LIVES OF THE CAPITAL PROJECTS THAT ARE TO BE REFINANCED BY THE NOTES; ACCEPTING THE PURCHASER'S PROPOSAL FOR THE PURCHASE OF SUCH NOTES AT PRIVATE SALE BY NEGOTIATION; PROVIDING THAT SUCH NOTES, WHEN ISSUED, SHALL CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY; FIXING THE DENOMINATIONS, DATED DATE, INTEREST PAYMENT DATES, MATURITY DATES, INTEREST RATES, REDEMPTION PROVISIONS, MANDATORY REDEMPTION PROVISIONS (IF APPLICABLE) AND PLACE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH NOTES; AUTHORIZING SPECIFIED OFFICERS OF THE COUNTY TO CONTRACT WITH THE PAYING AGENT FOR ITS SERVICES IN CONNECTION WITH THE NOTES; SETTING FORTH THE SUBSTANTIAL FORM OF THE NOTES EVIDENCING THE DEBT; AUTHORIZING EXECUTION AND ATTESTATION OF SUCH NOTES; PROVIDING COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SUCH NOTES TO THE EXTENT REQUIRED BY THE ACT AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE COUNTY IN SUPPORT THEREOF; CREATING A SINKING FUND IN CONNECTION WITH THE NOTES, TO THE EXTENT REQUIRED BY THE ACT; DESIGNATING THE PAYING AGENT TO BE THE SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT FOR SUCH NOTES WHEN DUE; SETTING FORTH REGISTRATION AND TRANSFER PROVISIONS WITH RESPECT TO SUCH NOTES; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THE COUNTY TO DO, TO TAKE AND TO PERFORM CERTAIN

SPECIFIED, REQUIRED, NECESSARY OR APPROPRIATE ACTS TO EFFECT THE ISSUANCE OF THE NOTES, INCLUDING, WITHOUT LIMITATION, THE PREPARATION, EXECUTION AND FILING OF A DEBT STATEMENT AND BORROWING BASE CERTIFICATE AND THE FILING OF SPECIFIED DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, ALL AS REQUIRED BY THE ACT; DECLARING THAT THE DEBT TO BE EVIDENCED BY SUCH NOTES, TOGETHER WITH ALL OTHER INDEBTEDNESS OF THE COUNTY, WILL NOT BE IN EXCESS OF ANY APPLICABLE LIMITATION IMPOSED BY THE ACT; AUTHORIZING PROPER OFFICERS OF THE COUNTY TO DELIVER THE NOTES UPON THE APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; SETTING FORTH CERTAIN COVENANTS PRECLUDING THE COUNTY FROM TAKING ACTIONS WHICH WOULD CAUSE THE NOTES TO BECOME "ARBITRAGE BONDS" OR "PRIVATE ACTIVITY BONDS," AS THOSE TERMS ARE USED IN THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND APPLICABLE REGULATIONS PROMULGATED THEREUNDER; AUTHORIZING THE EXECUTION OF ONE OR MORE ESCROW AGREEMENTS BY AND BETWEEN THE COUNTY AND THE ESCROW AGENT NAMED THEREIN IN CONNECTION WITH THE REFUNDING OF THE PRIOR SERIES OF BONDS; STATING AUTHORITY FOR ENACTMENT OF ORDINANCE AND APPLYING MANDATORY PROVISIONS OF LOCAL GOVERNMENT UNIT DEBT ACT WHETHER OR NOT SET FORTH; STATING THAT ORDINANCE IS CONTRACT WITH REGISTERED OWNERS OF NOTES AND REMEDIES THERETO ENTITLED; PROVIDING FOR AMENDMENT OF ORDINANCE; STATING THAT COVENANTS ARE FOR SOLE AND EXCLUSIVE BENEFIT OF COUNTY AND REGISTERED OWNERS OF NOTES; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INsofar AS THE SAME SHALL BE INCONSISTENT HEREWITH.

WHEREAS, the County of Berks, Pennsylvania (the "County"), is a county of the Commonwealth of Pennsylvania (the "Commonwealth"); and

WHEREAS, the County, in contemplation of the issuance and sale of two series of its General Obligation Notes in an aggregate principal amount of not to exceed Thirty Million Five Hundred Thousand Dollars (\$30,500,000), and to provide funds for and towards the Project (hereinafter defined) of the County, has determined that the Notes (hereinafter defined) shall be offered for sale at a private sale by negotiation pursuant to the provisions of the Local Government Unit Debt Act of the Commonwealth, as reenacted and amended (the "Act") and has determined that a private sale by negotiation is in the best financial interests of the County; and

WHEREAS, the Board of Commissioners of the County (the "Board") has determined that such Notes will be issued in two series and will be designated generally as "County of Berks, Pennsylvania, General Obligation Notes, Series A of 2021" (the "Series A Notes") and "County of Berks, Pennsylvania, Federally Taxable General Obligation Notes, Series B of 2021" (the "Series B Notes" and together with the Series A Notes, the "Notes") or

such other name and with such other designations, including the appropriate designation of the series and the year such Notes are issued, as shall be selected by the Chairman or Vice Chairman of the Board upon delivery of the Notes in accordance with Section 8 hereof; and

WHEREAS, the Series A Notes shall be issued in the aggregate principal amount of not to exceed Twelve Million Five Hundred Thousand Dollars (\$12,500,000); and

WHEREAS, the Series B Notes shall be issued in the aggregate principal amount of not to exceed Eighteen Million Dollars (\$18,000,000); and

WHEREAS, the Board has determined to accept the proposal of TD Bank, N.A. (the “Purchaser”), for the purchase of the Notes, such sale to be conditioned upon, among other things, the receipt of approval from the Department of Community and Economic Development of the Commonwealth (the “Department”) relating to the incurring of the indebtedness to be evidenced by the Notes; and

WHEREAS, the County has heretofore issued its (i) General Obligation Bonds, Series B of 2010 (Federally Taxable – Issuer Subsidy – Recovery Zone Economic Development Bonds) in the aggregate principal amount of \$7,790,000 (the “2010B Bonds”); (ii) General Obligation Bonds, Series of 2015 in the aggregate principal amount of \$10,000,000 (the “2015 Bonds”); and (iii) General Obligation Bonds, Series of 2016 in the aggregate principal amount of \$10,000,000 (the “2016 Bonds”); and

WHEREAS, the County has determined to refund all of the outstanding 2010B Bonds and all of the outstanding 2016 Bonds; and

WHEREAS, the County has determined to refund all of the 2015 Bonds scheduled to mature on or after November 15, 2026 (the “Refunded 2015 Bonds”); and

WHEREAS, the 2010B Bonds, the 2016 Bonds and the Refunded 2015 Bonds are collectively referred to herein as the “Prior Bonds”); and

WHEREAS, the County desires to authorize the refunding of the Prior Bonds for the purpose of reducing the total debt service over the life of each series of the Prior Bonds; and

WHEREAS, a portion of the proceeds of the Notes may be deposited in escrow pursuant to the terms of one or more escrow agreements (the “Escrow Agreements”), to be executed by and between the County and an escrow agent named therein (the “Escrow Agent”), such that the proceeds of the Notes, together with interest to be earned thereon (if any), will be held by the Escrow Agent in a separate escrow account and irrevocably pledged for the redemption of the applicable series of Prior Bonds, all as shall be set forth more fully in the Escrow Agreements; and

WHEREAS, the Notes which are being issued to refund the Prior Bonds will not be outstanding through a maturity date that could not have been included in the issue of the Prior Bonds; and

WHEREAS, the Board has determined to and desires to accept the proposal of the Purchaser and to incur nonelectoral debt in the aggregate principal amount of not to exceed Thirty Million Five Hundred Thousand Dollars (\$30,500,000) to fund the Projects described below of the County pursuant to the provisions of the Act.

The above recitals are deemed to be part of the Ordinance.

NOW, THEREFORE, BE AND IT HEREBY IS ORDAINED AND ENACTED by the Board of Commissioners of the County of Berks, Pennsylvania, in lawful session duly assembled, as follows:

Section 1. Incurrence of Indebtedness.

(a) Pursuant to the provisions of this Ordinance, the Board hereby authorizes and directs the incurrence of (i) the Series A Notes in the aggregate principal amount of not to exceed Twelve Million Five Hundred Thousand Dollars (\$12,500,000) to be designated generally as “County of Berks, Pennsylvania, General Obligation Notes, Series A of 2021”; and (ii) the Series B Notes in the aggregate principal amount of not to exceed Eighteen Million Dollars (\$18,000,000) to be designated generally as “County of Berks, Pennsylvania, Federally Taxable General Obligation Notes, Series B of 2021” or such other name or such other designations, including the appropriate designation of the year and series such Notes are issued, as shall be selected by the Chairman or Vice Chairman of the Board upon delivery of the Notes in accordance with the requirements of Section 8 hereof. The Notes shall be issued and sold in accordance with the provisions of the Act by private sale by negotiation.

(b) The Board determines that the debt to be incurred pursuant to this Ordinance, and which will be evidenced by the Notes, shall be nonelectoral debt of the County.

Section 2. The Project.

A brief description of the project (the “Project”) to be funded with, among other things, the proceeds of the Notes is as follows: (1) the current refunding of the 2010B Bonds; (2) the advance refunding of the Refunded 2015 Bonds; (3) the current refunding of the 2016 Bonds; and (3) the payment of the costs and expenses of issuing the Notes.

The remaining realistic estimated useful lives of the projects financed by the 2010B Bonds and refinanced by the Notes (funding of a portion of the County’s unfunded actuarial accrued pension liability) is at least nine (9) years. The remaining realistic estimated useful lives of the capital projects financed or refinanced by the 2015 Bonds and refinanced by the Notes is at least ten (10) years. The remaining realistic estimated useful lives of the capital projects financed or refinanced by the 2016 Bonds and refinanced by the Notes is at least ten (10) years. It is hereby certified that an aggregate principal amount of the Notes at least equal to the realistic estimated cost of each such capital project shall mature prior to the end of the useful life of such project.

Stated installments or maturities of principal of the Notes will not be deferred beyond the later of one year after the estimated date for the completion of the construction portion of the Projects, if any, or two years from the date of issue of the Notes.

The County hereby finds and certifies that realistic cost estimates have been obtained for the costs of the Project from financial analysts, registered architects, professional engineers or other persons qualified by experience to provide such estimates.

Section 3. Refunding of Prior Bonds. In connection with the issuance and sale of the Notes, the Board, as required by the provisions of the Act, hereby finds, determines and states (a) that the purpose of the refunding of the Prior Bonds is to reduce total debt service over the life of each series of the Prior Bonds; and (b) that the refunding of the Prior Bonds is authorized and permitted under and pursuant to the provisions of Section 8241 of the Act. The Board further finds and determines that the final maturity date of the Notes issued to effect the refunding of the Prior Bonds does not extend to a date that could not have been included in each series of the Prior Bond issue.

The Board hereby authorizes and directs its proper officers, agents and employees to execute all documents and take all actions necessary in connection with accomplishing the refunding of the Prior Bonds, including, but not limited to providing notice to the Paying Agent for the Prior Bonds, and to call the Prior Bonds for optional redemption in full on the first date that the Prior Bonds are eligible to be called for optional redemption. In accordance with Section 8246 of the Act, it is the intent of the Board that the Prior Bonds shall no longer be outstanding from and after the date of the issuance of the Notes.

Section 4. Private Sale by Negotiation.

The private sale by negotiation of the Notes to finance the Project and the costs and expenses of the financing is hereby determined to be in the best financial interest of the County.

Section 5. Acceptance of Proposal.

Subject to the approval of the Department, as required by the provisions of the Act, the Board shall and does hereby accept the proposal of the Purchaser, for the purchase of the Notes in accordance with the terms and conditions of this Ordinance and the Purchaser's proposal dated February 11, 2021 (the "Proposal"). The sale of the Notes shall be for an aggregate purchase price of 100.0% of the par amount of the Notes, plus accrued interest, if any, from the dated date of the Notes to the date of delivery thereof. The Chairman of the Board of Commissioners of the County, or any other Commissioner or other proper officer or officers of the County, or, if applicable, their duly qualified respective successors, are hereby authorized and directed to accept and to execute the Purchaser's Proposal in the name and on behalf of the County, and the Chief Clerk or Assistant Chief Clerk to the Board of Commissioners is hereby authorized and directed to attest to such acceptance and execution. A copy of the Purchaser's Proposal, as presented to the Board and accepted by this Ordinance, is incorporated herein by reference and shall be attached to this Ordinance and maintained with the minutes of this meeting.

Upon final pricing of the Notes, the Purchaser will present to the County an Addendum to the Proposal setting forth the final terms and conditions of the Notes, including the final principal amount, interest rates, redemption provisions and purchase price for the Notes of

each series, which may be (i) an addendum, modified proposal or rate lock agreement from the Purchaser or (ii) an addendum or proposal from one or more banks or financial institutions if an assignee or assignees are designated in writing by the County (the "Addendum"). As long as the terms and conditions set forth in the Addendum satisfy the parameters set forth in this Ordinance, the Chairman of the Board of Commissioners of the County, or any other Commissioner or other proper officer or officers of the County is hereby authorized and directed to accept and to execute the Addendum in the name and on behalf of the County, and the Chief Clerk or Assistant Chief Clerk of the County is hereby authorized and directed to attest to such acceptance and execution.

Section 6. The Notes.

(a) The Notes, when issued, will be a general obligation of the County.

(b) The Notes shall be fully registered, without coupons, in denominations of \$1,000 or any integral multiple thereof, in substantially the form hereinafter set forth in Section 8. Each series of Notes shall be dated as set forth in the definitive series of Notes as delivered to the Purchaser in accordance with the provisions hereof, and shall bear interest from that date at the applicable rates per annum as set forth herein, payable in accordance with the provisions of the Notes and this Ordinance, semiannually on May 15 and November 15 in each year, commencing with the May 15 or November 15 following the delivery of the applicable series of Notes (each an "Interest Payment Date"), until maturity or prior redemption.

(c) The Series A Notes shall bear interest at rates not to exceed the maximum rates of interest and shall mature, whether by maturity or mandatory sinking fund redemption on the dates and in the amounts not to exceed the maximum amounts as set forth on Exhibit A-1 attached hereto. The Series B Notes shall bear interest at rates not to exceed the maximum rates of interest and shall mature, whether by maturity or mandatory sinking fund redemption on the dates and in the amounts not to exceed the maximum amounts as set forth on Exhibit A-2 attached hereto.

Each series of Notes shall be issued as serial notes or term notes or a combination thereof and shall be subject to optional and mandatory sinking fund redemption as set forth in the definitive series of Notes as delivered to the Purchaser in accordance with the provisions hereof and the delivery instructions of the Purchaser; provided however that the interest rates on each series of Notes, and any serial maturities or mandatory sinking fund redemption amounts shall be within the parameters set forth on Exhibit A attached hereto.

If a Note is of a denomination larger than \$1,000, a portion of such Note may be redeemed. For the purposes of redemption, such Note shall be treated as representing that number of Notes which is obtained by dividing the principal amount thereof by \$1,000, each \$1,000 portion of such Note being subject to redemption.

Any redemption of Notes shall be upon notice effected by mailing a copy of the redemption notice by first-class mail, postage prepaid, such notice to be sent not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption; provided, however, that failure to give such notice by mailing, or any defect therein or in the mailing thereof, shall not affect the validity of any proceeding for redemption of other Notes called for redemption as to which proper notice has been given.

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

Section 7. Appointment of Paying Agent, Registrar and Sinking Fund Depository.

The proper officers of the County are hereby authorized, empowered and directed to contract with TD Bank, N.A. or such other bank or bank and trust company selected by the County and who is authorized to do business in the Commonwealth of Pennsylvania and who has an office in the Commonwealth of Pennsylvania (the "Paying Agent"), for its services as paying agent, registrar and sinking fund depository in accordance with the terms and conditions of the Purchaser's Proposal, this Ordinance and the Act. Payment of the principal of and interest on the Notes shall be made, when due, in accordance with the provisions of the Notes, at the designated office of the Paying Agent in lawful money of the United States of America. The County may, by ordinance, from time to time, appoint a successor paying agent to fill a vacancy or for any other reason.

Section 8. Form of Notes.

(a) The Notes shall be in substantially the form set forth in Exhibit "B" with appropriate insertions, omissions and variations. The form of the Notes as submitted to the County is hereby approved in substantially such form, with such changes, insertions and variations as are necessary or appropriate to reflect the final terms, including, but not limited to, the name or designation and the final redemption provisions, of the Notes as specified to the County in the delivery instructions of the Purchaser and such other changes as the Chairman or Vice Chairman of the Board may approve upon advice of counsel to the County, such approval to be evidenced by such officer's execution and delivery of the Notes.

(b) The Notes shall be executed in the name and on behalf of the County by the true or facsimile signatures of the Chairman of the Board of Commissioners of the County, or any other Commissioner or other proper officer or officers of the County, or, if applicable, their duly qualified respective successors and the true or facsimile official seal of the County shall be affixed thereunto, duly attested by the true or facsimile signature of the Chief Clerk or Assistant Chief Clerk to the Board of Commissioners. Said officers are authorized and directed to execute and attest the Notes.

The Chief Clerk or his or her delegate is hereby authorized and directed to deliver, or cause to be delivered, the Notes to the Purchaser and receive payment therefor on behalf of the County after sale of the same in the manner required by law and this Ordinance.

Section 9. General Obligation Covenant.

The County covenants to and with the registered owners from time to time of the Notes that the County (i) shall include in its budget in each fiscal year the amount of the debt service for each fiscal year of the County in which such sums are payable, (ii) shall appropriate from its general revenues in each such fiscal year the amount required to pay debt service on the Notes for such year, 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 amount of the Notes and the interest due thereon at the dates and place and in the manner stated therein, according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the County shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in Section 8104 of the Act, the foregoing covenant of the County shall be enforceable specifically.

Section 10. Sinking Funds.

(a) The County hereby covenants to create and there is hereby created, pursuant to Section 8221 of the Act, a sinking fund for the Notes, to be known as “Sinking Fund – County of Berks, Pennsylvania, General Obligation Notes, Series A and B of 2021” (the “Sinking Fund”) or such other name, series or designation as selected by the proper officers of the County from time to time which shall be established with the Paying Agent and administered in accordance with applicable provisions of the Act and this Ordinance.

(b) The Paying Agent shall be the “sinking fund depository” with respect to the Sinking Fund created pursuant to this Section 10. The County covenants and agrees to deposit in the Sinking Fund, on or before each Interest Payment Date, an amount which shall be sufficient to permit the Paying Agent to pay on such Interest Payment Date all principal and accrued interest becoming due with respect to the Notes. After such deposit, the Paying Agent shall, without further authorization or direction from the County or any of its officials, upon proper and timely presentation, execution and surrender of the Notes, with respect to the payment of principal of the Notes, or at the Interest Payment Date, with respect to the payment of interest on the Notes, withdraw moneys from the Sinking Fund and apply such moneys to the prompt and full payment of such obligations in accordance with the terms thereof, the terms and conditions of this Ordinance and the provisions of the Act.

Section 11. Debt Statement and Borrowing Base Certificate.

The Chairman or Vice Chairman of the Board, the Chief Clerk or Assistant Chief Clerk to the Board of Commissioners, and, if applicable, their duly qualified respective successors, are hereby authorized and directed, in the name and on behalf of the County: (a) to prepare, execute and certify the debt statement and borrowing base certificate required by the Act; (b) to prepare, execute and file with the Department, as required by Section 8111 of the Act, a duly attested copy of this Ordinance, with proofs of proper publication, the accepted Purchaser’s Proposal, and a complete and accurate transcript of the proceedings relating to the incurring of the debt to be evidenced by the Notes, including the debt statement and borrowing base certificate; (c) to pay or to cause to be paid to the Department all proper filing fees required by the Act in connection with the foregoing; (d) to pay or cause to be paid from proceeds of the Notes or otherwise, all costs and expenses incurred by the County in connection with the issuance of the Notes; (e) to advertise the enactment of this Ordinance, as required by the Act;

(f) to file with the Department any notifications required by Section 8202 of the Act and to file with the Department a revised debt service schedule for the Notes after the issuance thereof; and (g) to take any and all other action, and to execute and deliver any and all documents and other instruments, required or permitted by the Act or by the Purchaser's Proposal, or which they, in their sole discretion, may deem necessary, proper or desirable to effect the issuance of the Notes, to the extent not inconsistent with this Ordinance or applicable law.

The Chairman or Vice Chairman of the Board or the Chief Clerk or Assistant Chief Clerk of the County are each authorized and directed, if necessary or desirable, to cause to be prepared and filed with the Department appropriate statements required by Section 8026 of the Act which are necessary to qualify the nonelectoral or lease rental debt of the County, which is subject to exclusion of self-liquidating or subsidized debt, for exclusion from the appropriate debt limits of the County as self-liquidating or subsidized debt.

Section 12. Compliance with Debt Act.

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

Section 13. Delivery of the Notes.

The proper officers of the County are hereby authorized and directed to deliver the Notes to the Purchaser, upon due registration and authentication thereof as provided for herein, upon receipt of full and proper payment of the purchase price therefor, provided, however, that such delivery shall be effected only after the Department has certified its approval pursuant to Section 8204 of the Act.

Section 14. Internal Revenue Code Covenants.

The County covenants to and with the registered owners of the Series A Notes that it will make no use of the proceeds of such issue or do or suffer any other action which, if such use or action had been reasonably expected on the date of issue of such Series A Notes, would cause such Series A Notes to be "arbitrage bonds" or "private activity bonds" as those terms are defined in Section 148 and Section 141 of the Internal Revenue Code of 1986, as amended (the "Code") and the applicable regulations thereunder. The County further covenants that it will comply with the requirements of such Section 148 and Section 141 and with the regulations thereunder throughout the term of the Series A Notes. In addition, the Chairman or Vice Chairman of the Board, being the official(s) responsible for issuing the Series A Notes, attested by the Chief Clerk or Assistant Clerk to the Board of Commissioners, are hereby authorized and directed to execute and deliver, in the name and on behalf of the County, any and all documents or other instruments which Bond Counsel may reasonably request in connection with the providing of its opinion that the Series A Notes are not "arbitrage bonds" or "private activity bonds" within the meanings of Section 148 and Section 141 of the Code and the regulations promulgated thereunder, including, without limitation, a certificate dated the date of issuance and delivery of the Series A Notes, which certificate shall set forth the reasonable expectations of the County as to the amount and use of the proceeds of the Series A Notes.

Section 15. Refunding of Prior Bonds. On the date of delivery of the Notes, to the extent required for a lawful defeasance of the Prior Bonds, the proper officers of the County are hereby authorized, empowered and directed to execute, attest and deliver one or more Escrow Agreements in the form approved by such officers with the advice of the Solicitor to the County. The Escrow Agreements shall provide for, among other things, the following: (i) a certification to the Escrow Agent of the amount required to pay the principal of, premium, if any, and interest on, the applicable series of Prior Bonds, (ii) the deposit with the Escrow Agent of an amount which, when taken together with the interest to be earned thereon, will be in the amount necessary to pay the principal of, premium, if any, and interest on the applicable series of Prior Bonds to and including the first call date for such Prior Bonds, and to pay the principal amount of the applicable series of Prior Bonds maturing after such first call date, the date fixed for the redemption thereof, (iii) the investment of the amounts deposited with and held by the Escrow Agent, (iv) a direction to the Escrow Agent to cause notice of redemption to be given to the holders of the applicable series of Prior Bonds, and (v) the irrevocable pledge and escrow of, and grant of a security interest in favor of the Escrow Agent of all investments held by it pursuant to the Escrow Agreements.

The County hereby authorizes and directs the proper officers, agents and employees to execute any and all other documents and to take any and all action necessary in connection with the Project to cause the Prior Bonds to “no longer be deemed to be outstanding” as of the date of delivery of the Notes, within the meaning and for the purposes of Section 8250 of the Act and to cause the redemption of the applicable series of Prior Bonds on the first call date for such Prior Bonds. If necessary, the County hereby approves the purchase of certain U.S. Treasury obligations or any other securities or investments for investment of the proceeds of the Notes in connection with the refunding of the Prior Bonds.

Section 16. Appointment of Bond Counsel.

The County hereby appoints and engages Stevens & Lee, P.C., to act as Bond Counsel to the County in connection with the issuance of the Notes and to facilitate the intent of this Ordinance and the Chairman or Vice Chairman of the Board are each hereby authorized and directed to execute an engagement letter with such counsel.

Section 17. Advertising.

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

Section 18. Mandatory Provisions of Act.

This Ordinance is enacted pursuant to the Act, the County Code of 1955, as amended, and the laws and the Constitution of the Commonwealth of Pennsylvania, and the County hereby determines and declares that each and every matter and thing provided for herein

is necessary and desirable to carry out and effect the public purposes of the County in accordance with such laws. All of the mandatory provisions of the Act shall apply hereunder whether or not explicitly stated herein and are specifically incorporated herein by reference.

Section 19. Contractual Obligation.

In consideration of the purchase and acceptance of the Notes authorized to be issued hereunder by those who shall purchase the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the County and the Holders from time to time of the Notes; and the covenants and agreements herein set forth to be performed on behalf of the County shall be for the benefit, protection and security of the Holders from time to time of the Notes. If the County shall default in the performance of any of its obligations hereunder, under the Notes or under the Act, the holders or registered owners of the Notes shall be entitled to all of the rights and remedies provided by the Act in the event of such default.

Section 20. General Authorization.

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

Section 21. Invalidity.

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

Section 22. Repeal of Inconsistent Ordinances.

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

Section 23. Effectiveness of Ordinance.

This Ordinance shall be effective in accordance with Section 8003 of the Act.

DULY ENACTED, THIS 11th DAY OF FEBRUARY, 2021, BY THE BOARD OF COMMISSIONERS OF COUNTY OF BERKS, PENNSYLVANIA, IN LAWFUL SESSION DULY ASSEMBLED.

COUNTY OF BERKS, PENNSYLVANIA

(SEAL)

Christian Y. Leinbach, Chair

Kevin S. Barnhardt, Commissioner

Michael S. Rivera, Commissioner

Attest: _____
Maryjo Gibson, Chief Clerk

EXHIBIT “A-1”

**MAXIMUM DEBT SERVICE SCHEDULE
SERIES A NOTES**

COUNTY OF BERKS, PENNSYLVANIA

GENERAL OBLIGATION NOTE, SERIES A OF 2021

MAXIMUM DEBT SERVICE REQUIREMENTS

DATE	MAX PRINCIPAL	MAX RATE	MAX INTEREST	MAX DEBT SERVICE	MAX FISCAL YEAR DEBT SERVICE
23-Mar-21					
15-May-21			36,111.11	36,111.11	
15-Nov-21	1,782,000.00	2.000%	125,000.00	1,907,000.00	1,943,111.11
15-May-22	-		107,180.00	107,180.00	-
15-Nov-22	1,731,000.00	2.000%	107,180.00	1,838,180.00	1,945,360.00
15-May-23	-		89,870.00	89,870.00	-
15-Nov-23	1,766,000.00	2.000%	89,870.00	1,855,870.00	1,945,740.00
15-May-24	-		72,210.00	72,210.00	-
15-Nov-24	1,798,000.00	2.000%	72,210.00	1,870,210.00	1,942,420.00
15-May-25	-		54,230.00	54,230.00	-
15-Nov-25	1,830,000.00	2.000%	54,230.00	1,884,230.00	1,938,460.00
15-May-26	-		35,930.00	35,930.00	-
15-Nov-26	872,000.00	2.000%	35,930.00	907,930.00	943,860.00
15-May-27	-		27,210.00	27,210.00	-
15-Nov-27	889,000.00	2.000%	27,210.00	916,210.00	943,420.00
15-May-28	-		18,320.00	18,320.00	-
15-Nov-28	906,000.00	2.000%	18,320.00	924,320.00	942,640.00
15-May-29	-		9,260.00	9,260.00	-
15-Nov-29	926,000.00	2.000%	9,260.00	935,260.00	944,520.00
	12,500,000.00		989,531.11	13,489,531.11	13,489,531.11

EXHIBIT "A-2"

**MAXIMUM DEBT SERVICE SCHEDULE
SERIES B NOTES**

COUNTY OF BERKS, PENNSYLVANIA

FEDERALLY TAXABLE GENERAL OBLIGATION NOTE, SERIES B OF 2021

MAXIMUM DEBT SERVICE REQUIREMENTS

DATE	MAX PRINCIPAL	MAX RATE	MAX INTEREST	MAX DEBT SERVICE	MAX FISCAL YEAR DEBT SERVICE
23-Mar-21					
15-May-21			52,000.00	52,000.00	
15-Nov-21	506,000.00	2.000%	180,000.00	686,000.00	738,000.00
15-May-22	-		174,940.00	174,940.00	-
15-Nov-22	388,000.00	2.000%	174,940.00	562,940.00	737,880.00
15-May-23	-		171,060.00	171,060.00	-
15-Nov-23	396,000.00	2.000%	171,060.00	567,060.00	738,120.00
15-May-24	-		167,100.00	167,100.00	-
15-Nov-24	404,000.00	2.000%	167,100.00	571,100.00	738,200.00
15-May-25	-		163,060.00	163,060.00	-
15-Nov-25	412,000.00	2.000%	163,060.00	575,060.00	738,120.00
15-May-26	-		158,940.00	158,940.00	-
15-Nov-26	6,595,000.00	2.000%	158,940.00	6,753,940.00	6,912,880.00
15-May-27	-		92,990.00	92,990.00	-
15-Nov-27	6,700,000.00	2.000%	92,990.00	6,792,990.00	6,885,980.00
15-May-28	-		25,990.00	25,990.00	-
15-Nov-28	2,599,000.00	2.000%	25,990.00	2,624,990.00	2,650,980.00
	18,000,000.00		2,140,160.00	20,140,160.00	20,140,160.00

EXHIBIT “B”

REGISTERED

REGISTERED

COUNTY OF BERKS
PENNSYLVANIA

[FEDERALLY TAXABLE]
GENERAL OBLIGATION NOTE, SERIES [A] [B] OF 2021

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>
	November 15, 20__	_____, 2021
REGISTERED OWNER	TD BANK, N.A.	
PRINCIPAL AMOUNT	\$	

The COUNTY OF BERKS, PENNSYLVANIA (the “County”), a county existing under the laws of the Commonwealth of Pennsylvania (the “Commonwealth”), for value received, hereby acknowledges itself to be indebted and promises to pay to the order of the Registered Owner hereof, or registered assigns, on the maturity date stated hereon (or upon prior redemption, as hereinafter provided), upon presentation and surrender hereof, the Principal Amount shown above and to pay semiannually on May 15 and November 15 of each year prior to maturity or redemption (each an “Interest Payment Date”), beginning _____, 20__, to the registered owner hereof, interest on such principal sum, at the rate per annum stated hereon, from the Dated Date of this County of Berks, Pennsylvania, [Federally Taxable] General Obligation Note, Series [A] [B] of 2021 (the “Note”).

Interest on this Note shall be computed on the basis of a 360 day year comprised of twelve 30-day months.

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

This Note is in fully registered form, without coupons, and has been authorized and issued in accordance with the Local Government Unit Debt Act of the Commonwealth (the “Act”), without the assent of the electors, pursuant to an ordinance (the “Ordinance”) of the

Board of Commissioners of the County duly enacted on February 11, 2021. The terms and provisions of the Ordinance are hereby incorporated by reference as if set forth fully herein.

The County has covenanted in the Ordinance that it shall include in its budget the amount of the debt service for each fiscal year of the County in which principal and/or interest on the Notes is payable, that it shall appropriate from its general revenues any such sums for the payment of such debt service and that it shall duly and punctually cause to be paid when due principal and interest on the Notes.

[For Series A Notes only: In the Ordinance, the County has covenanted to and with registered owners of the Notes that it will make no use of the proceeds of the Notes, or do or suffer any other action, which, if such use or action had been reasonably expected on the date of issuance of the Notes, would cause the Notes to be “arbitrage bonds” or “private activity bonds” as those terms are defined in Section 148 and Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”), and the applicable regulations thereunder.]

The Notes maturing on and after November 15, ____ are subject to redemption prior to maturity, at the option of the County, in whole or in part, on or after _____, ____ in any order of maturities selected by the County at a redemption price of 100% of the principal amount, plus accrued interest to the date fixed for redemption. In the event that less than all Notes of any particular maturity are to be redeemed, the Notes of such maturity to be redeemed shall be drawn by lot by the Paying Agent.

The Notes are subject to mandatory redemption prior to maturity on November 15 of the years (at a price equal to the principal amount of the Notes called for mandatory redemption plus accrued interest thereon to the date fixed for such mandatory redemption) and in the principal amounts as set forth in the following schedule, as drawn by lot by the Paying Agent:

<u>Year</u>	<u>Principal Amount</u>
_____	\$ _____
_____	_____
_____*	_____

* At maturity

No notice of redemption nor presentation of this Note shall be required in connection with a mandatory redemption of the Note pursuant to the preceding paragraph.

Any redemption of Notes shall be upon notice effected by mailing a copy of the redemption notice by first-class mail, postage prepaid, such notice to be sent not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption, addressed to the registered owners of Notes.

If the redemption date for any Notes shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or by executive

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

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

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

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the County has caused this Note to be executed in its name-by the manual or facsimile signature of its Chairman of the Board of Commissioners and its official seal or a facsimile of its official seal to be affixed hereto, duly attested by the manual or facsimile signature of the Chief Clerk of the County, as of the ____ day of _____, 2021.

ATTEST:

COUNTY OF BERKS,
PENNSYLVANIA

Chief Clerk

By: _____
Chairman, Board of Commissioners

(SEAL)

REGISTRATION FORM

This Note can be validly negotiated only upon proper execution of the form set forth below, and upon notation of the same upon the books of the County, as Registrar for this Note, maintained for such purpose. The County shall treat the registered owner of this Note, as noted on this Note and on said books, as the absolute owner hereof, and shall not be affected by any changed circumstances, nor by any notice to the contrary.

Original Registered Owner: TD Bank, N.A.

<u>Date</u>	<u>Transferor</u>	<u>Subsequent Purchaser</u>	<u>Registrar</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

For value received, the last-named transferor, by its due execution above, hereby, on the above-stated date, sells, transfers and negotiates this Note to the last-named subsequent purchaser, warranting that this transfer is effective and rightful; that, this Note is genuine and has not been materially altered; and that it has no knowledge of any fact which might impair the validity of this Note, and further irrevocably authorizes and directs the County, as Registrar, to make this transfer on its books maintained for such purposes.

The County, as Registrar, by its due execution above, on the above-stated date, acknowledges the transfer of this Note to the subsequent purchaser, who shall now be recognized as registered owner, and has noted such transfer on its books.

(END OF FORM OF NOTE)