

SOUTH WILLIAMSPORT AREA SCHOOL DISTRICT
Lycoming County, Pennsylvania

A RESOLUTION AUTHORIZING THE INCURRENCE OF NONELECTORAL INDEBTEDNESS BY THE ISSUANCE OF GENERAL OBLIGATION NOTES, SERIES OF 2020 IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED TWO MILLION ONE HUNDRED THOUSAND DOLLARS (\$2,100,000) FOR THE PURPOSE OF FINANCING A REFUNDING PROGRAM AND PAYING THE COSTS OF ISSUING THE NOTES; COVENANTING TO CREATE SINKING FUNDS AND TO BUDGET, APPROPRIATE AND PAY DEBT SERVICE ON THE NOTES AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE SCHOOL DISTRICT FOR THE NOTES; PROVIDING FOR MAXIMUM INTEREST RATES, MAXIMUM MATURITY AMOUNTS AND PLACE OF PAYMENT IN RESPECT TO THE NOTES; SETTING FORTH THE PARAMETERS FOR ACCEPTANCE OF A PROPOSAL AND AUTHORIZING ACCEPTANCE OF A PROPOSAL FOR THE PURCHASE OF THE NOTES; AUTHORIZING THE PROPER OFFICERS TO EXECUTE AND DELIVER THE NOTES; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE PROCEEDINGS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AND SETTING FORTH THE FORM OF NOTES; AND AUTHORIZING OTHER NECESSARY ACTION.

WHEREAS, the South Williamsport Area School District (the “**School District**”) is granted the power by the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, 53 Pa. Cons. Stat. § 8001 *et seq.*, as amended (the “**Act**”), to incur indebtedness and to issue Notes for the purpose of refunding outstanding indebtedness; and

WHEREAS, the School District has heretofore issued its General Obligation Bonds, Series AA of 2014 (Limited Tax) which are presently outstanding in the principal amount of \$1,660,000 (the “**2014AA Bonds**”); and

WHEREAS, the School District has determined to currently refund all or a portion of the remaining outstanding 2014AA Bonds (the “**Refunded 2014AA Bonds**”) in order to substitute notes for bonds (the “**Refunding Program**”); and

WHEREAS, the School District proposes to issue its General Obligation Notes, Series of 2020 in an aggregate principal amount not to exceed \$2,100,000 (the “**Notes**”) in order to finance the Refunding Program and paying the costs and expenses of issuing, and possibly insuring, the Notes; and

WHEREAS, the School District reserves the right not to issue the Notes, or to issue the Notes in an amount less than the maximum aggregate principal amount, if deemed financially advantageous to the School District; and

WHEREAS, the School District has determined to establish certain parameters under which it will accept a proposal (the “**Proposal**” or “**Note Purchase Agreement**”) for the purchase of the Notes, and has determined that it is in the best interest of the School District to secure a purchase proposal by private negotiated sale in connection with the Refunding Program; and

WHEREAS, the School District has received an acceptable Proposal for the purchase of the Notes from Piper Sandler & Co., of Camp Hill, Pennsylvania, (the “**Purchaser**”) and desires to accept such Proposal and authorize the issuance of the Notes for the purposes set forth herein, upon the terms and conditions, within and subject to the parameters and in the form of the Proposal as herein provided; and

WHEREAS, pursuant to the Proposal and based upon what is in the best financial interest of the School District, the School District may elect the Notes be placed with a commercial bank, with the Purchaser acting as bank loan agent, or as publicly offered Notes, with the Purchaser as underwriter; and

WHEREAS, the School District desires to authorize necessary action in connection with the authorization and issuance of the Notes including the purchase of a municipal insurance policy to provide credit enhancement for the Notes if deemed financially advantageous at the time of issuance of the Notes.

NOW, THEREFORE, BE IT RESOLVED by the Board of School Directors of the South Williamsport Area School District and IT IS HEREBY RESOLVED, as follows:

SECTION 1. Authorization of Issuance of Notes and Approval of Refunding Program. The School District hereby approves the Refunding Program as described in the recitals hereto and authorizes the incurring of indebtedness pursuant to the Act by the issuance of the Notes in an aggregate principal amount not to exceed TWO MILLION ONE HUNDRED THOUSAND DOLLARS (\$2,100,000) for the purpose of financing the costs of the Refunding Program and paying the costs and expenses of issuing, and possibly insuring, the Notes.

The purpose of the Refunding Program is to substitute notes for bonds.

The 2014AA Bonds were issued to prepay in full the School District’s outstanding General Obligation Note, Series of 2012 (the “**2012 Note**”) and pay the costs and expenses of issuing and insuring the 2014AA Bonds.

The 2012 Note was issued to finance an energy conservation project and to pay the costs associated with the issuance of the 2012 Note. The 2012 Note Resolution stated that the estimated average useful life of the energy conservation project is in excess of twenty (20) years. The final maturity of the Notes (June 30, 2023) does not extend beyond the remaining estimated useful life of the projects financed by the 2012 Note (to the year 2032).

It is hereby determined and stated that the Notes are scheduled to mature in accordance with the limitations set forth in Section 8142 of the Act.

The Notes are to be sold and delivered as hereinafter provided. The School District reserves the right not to issue the Notes, or to issue the Notes in an amount less than the maximum principal amount authorized hereunder, if the Board of School Directors (the **“Board”**) of the School District decides not to proceed or to proceed with a smaller version of the Refunding Program, and to cancel any unused authorization hereunder in accordance with Section 8202 of the Act.

SECTION 2. Establishment of Parameters for Notes. The School District hereby establishes that the Notes authorized hereunder shall be subject to the following parameters: (a) the Notes shall not exceed TWO MILLION ONE HUNDRED THOUSAND DOLLARS (\$2,100,000) in aggregate principal amount; (b) the Notes shall not mature later than fiscal year ending June 30, 2023; (c) the purchase price for the Notes (the principal amount of the Notes, less underwriter’s discount, less original issue discount, plus original issue premium) shall not be less than 95% nor more than 125% of the aggregate principal amount of the Notes; (d) the Underwriter’s discount shall not exceed 1.0% of the aggregate principal amount of the Notes; (e) the maximum principal amounts of each maturity or mandatory sinking fund redemption on the Notes shall not exceed those stated on **Schedule ”A”** attached hereto and made a part hereof; (f) the interest rates on the Notes shall not exceed six percent (6.00%) per annum (the **“Maximum Rate”**); (g) the Notes may have any number of interest rates and yields, provided, however, that no such interest rate shall exceed the Maximum Rate and further provided that, in accordance with Section 8144 of the Act, no yield for any stated maturity date in the last two-thirds of the period of such series of bonds shall be less than that stated for the immediately preceding year which falls within the last two-thirds period; and (h) the Notes shall be subject to redemption prior to maturity, at the option of the School District, as a whole or from time to time in part, in any order of maturity or portion of a maturity as selected by the School District, thereafter, upon payment of a redemption price of 100% of principal amount plus interest accrued to the redemption date, beginning on such date as shall be specified in the Addendum to the Note Purchase Proposal, but not later than ten (10) years after the Note Issuance Date.

The School District hereby acknowledges receipt of a Proposal from the Purchaser pursuant to which the School District agrees to sell its Notes to the Purchaser subject to the Purchaser satisfying the conditions and parameters set forth therein. A copy of the Proposal shall be delivered to the Secretary of the School District and shall be affixed to and shall become part of this Resolution.

If and when market conditions permit the Purchaser to sell the Notes and meet the parameters set forth above, the Purchaser shall submit an Addendum to the School District (**“Addendum”**) setting forth the actual terms of the Notes. Upon a determination by the Business Manager, the Purchaser and the School District’s Note Counsel that the Addendum meets the parameters set forth above, the President or Vice President of the Board is hereby authorized and directed to execute an Addendum to the Note Purchase Agreement in accordance therewith, and deliver a copy of the same to the Secretary of the Board pursuant to the procedure set forth below.

The Purchaser and the Business Manager shall determine the final terms of the Notes, within the parameters set forth in the Proposal and this Resolution, including without limitation the aggregate principal amount, the interest rates, the annual maturity or sinking fund redemption amounts, the purchase price, the underwriter's discount and any other appropriate terms and conditions applicable to the Notes, and shall present such final terms in the Addendum to the Business Manager, who is hereby authorized and directed to review and approve the final terms of the Notes and to determine if such terms are within the parameters established hereunder. Upon presentation by the Purchaser of the final terms of the Notes in satisfaction of the conditions and parameters set forth in the Proposal and this Resolution, the Business Manager is hereby authorized and directed to confirm in writing that such conditions and parameters have been satisfied.

If mutually agreed upon by the School District and the Purchaser, within the parameters set forth above, and if financially advantageous to the School District, the School District can elect to issue a privately placed general obligation (to be designated note or notes) with a commercial lender, instead of the publicly offered Notes, with the Purchaser acting as placement agent for such privately placed general obligation. The Purchaser and the Business Manager shall determine if such privately placed general obligation with a commercial lender is in the best financial interest of the School District and, if so determined, shall present a commitment from such commercial lender setting forth terms of the privately placed general obligation, such commitment to be executed, as herein authorized and directed, by the President or Vice President of the Board, with a copy of the same to be delivered to the Secretary of the Board and the form of such privately placed general obligation to be approved by the executing officers, such approval to be conclusively evidenced by their execution thereof.

If a privately placed general obligation is issued with a commercial lender, such commercial lender would act as purchaser of such privately placed general obligation, and the commitment issued from such commercial lender shall act as the Addendum.

If a privately placed general obligation is issued with a commercial lender, and such commercial lender wishes to establish an alternative rate of interest due to (i) interest on such privately placed general obligation becoming taxable for purposes of the Code (as hereinafter defined), (ii) the occurrence of an event of default, such event to be defined therein, or (iii) another reason agreed upon by the School District, such alternative rate of interest shall not exceed the Maximum Rate as defined herein.

SECTION 3. Non-Electoral Debt. All of the debt incurred hereunder shall be non-electoral debt.

SECTION 4. Execution of Debt Statement, Notes and Filing of Debt Proceedings. The President and Secretary of the Board or the Vice President or Treasurer, in the absence of the President or Secretary, respectively, or any duly appointed successors, as the case may be, are hereby authorized and directed to prepare and certify and to file the debt statement required by Section 8110 of the Act, to execute and deliver the Notes in the name and on behalf of the School District and to take all other action required by the Act or this Resolution in connection with the issuance of the Notes. 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, which shall include certified copies of this Resolution, proofs of proper publication, the Debt Statement, a Borrowing Base Certificate signed by the appropriate officials of the School District 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 Resolution.

SECTION 5. Terms and Form of Notes. If the Note is a privately placed note with a commercial lender, the Note shall be issued as one (1) note in the aggregate principal amount of not more than \$2,100,000. If the Notes are issued as publicly offered notes, the Notes when issued shall be general obligation notes issued in fully registered form and shall be in the denomination of FIVE THOUSAND DOLLARS (\$5,000), or in any integral multiple thereof within the limitations provided herein. The Notes shall be issued in fully registered form utilizing the book-entry system of DTC (defined below) if the School District elects to use such system. The Notes shall be issued in the maximum aggregate principal amount not to exceed \$2,100,000, shall be dated as determined in accordance with the final terms of the Notes (the “**Note Issuance Date**”), shall bear interest from the Note Issuance Date at the rates per annum in accordance with and within the parameters established pursuant hereto, all as set herein and in the Proposal and Addendum, and shall mature on those dates contained therein, but in no event later than fiscal year ending June 30, 2023. The Notes shall be payable at the place and in the manner and shall be substantially in the form as set forth in the Form of Note attached hereto as **Schedule B** and made a part hereof.

SECTION 6. Appointment of Paying Agent and Sinking Fund Depository. Manufacturers and Traders Trust Company, Harrisburg, Pennsylvania or Buffalo, New York, is hereby appointed to serve as paying agent, note registrar and sinking fund depository (the “**Paying Agent**”) for the Notes and the President and Secretary of the Board, or the Vice President or Treasurer (or any Acting Secretary or Treasurer appointed for such purpose), or any duly appointed successor, as the case may be, are directed to contract with the Paying Agent to obtain its services in the aforementioned capacities. The School District shall cause to be kept, and the Paying Agent is hereby directed to keep, at the designated corporate trust offices of the Paying Agent, books for the registration, exchange and transfer of Notes in the manner provided herein and therein so long as Notes shall remain outstanding. The Paying Agent is hereby directed to make such registrations, exchanges and transfers without charge to noteholders, except for actual costs, including postage, insurance and any taxes or other governmental charges required to be paid with respect to the same.

If a privately placed general obligation is issued with a commercial lender, such commercial lender shall act as Paying Agent, Registrar and Sinking Fund Depository in addition to its capacity as lender and purchaser of such privately placed general obligation.

SECTION 7. Establishment of Sinking Fund. The School District covenants to establish, and there is hereby established, a sinking fund (the “**Sinking Fund**”) for the payment of the Notes with the Paying Agent. The School District shall pay the amounts required pursuant to the covenants contained herein into the Sinking Fund which shall be maintained until such Notes are paid in full. Sums sufficient to meet the requirements of the semi-annual interest payments and scheduled maturities as set forth in the Addendum, shall be deposited into the

Sinking Fund not later than the date when interest and/or principal is to become due on the Notes. The funds in the Sinking Fund shall be subject to withdrawal by the Paying Agent only to pay the principal and interest on the Notes as the same becomes due and payable in accordance with the terms thereof. The School District hereby covenants that such monies, to the extent required, will be applied to such purpose. The principal of and interest on the Notes shall be payable in lawful money of the United States of America at the designated corporate trust offices of the Paying Agent.

SECTION 8. Covenant to Pay Notes. The School District covenants that, to the fullest extent authorized under law:

(a) The amount of the debt service with respect to the Notes payable in each fiscal year shall be included in the School District budget for that year;

(b) The School District shall appropriate such amounts from its general revenues necessary for the payment of such debt service;

(c) It shall duly and punctually pay, or cause to be paid from its sinking fund or any other of its revenues or funds, the principal of and interest due upon the Notes, to the extent of its obligation, on the dates, at the places and in the manner stated in the Notes, according to the true intent and meaning thereof; and

(d) For such payment, budgeting and appropriation the School District hereby irrevocably pledges its full faith, credit and taxing power.

The covenant contained in this Section shall be specifically enforceable.

SECTION 9. Sale of Notes. In compliance with Section 8161 of the Act and after due consideration, the Board of School Directors hereby determines that a private sale by negotiation is in the best financial interest of the School District. The Notes shall be sold at private sale by negotiation pursuant to the Proposal, as defined and approved below.

SECTION 10. Acceptance of Proposal for Purchase of Notes. The Proposal presented at this meeting by the Purchaser is hereby found by the Board to be in conformity with the requirements of the Act and of this Resolution for the purchase and sale of the Notes, and is hereby accepted, and the Notes are hereby awarded to the Purchaser subject to the provisions of Section 2 of this Resolution and the submission of an Addendum to the Note Purchase Agreement satisfying the parameters set forth therein. The officers of the School District are hereby authorized to deliver the Notes to the Purchaser upon receipt of the purchaser price therefor and upon compliance with all of the conditions precedent to such delivery required by the Act, the Resolution and the Proposal.

SECTION 11. Execution, Authentication and Delivery of Notes. The Notes, when issued, shall be executed by the President or Vice President of the Board and shall have the corporate seal of the School District affixed thereto and be duly attested by the Secretary or Treasurer (or any acting Secretary or Treasurer appointed for such purpose) of the Board of School Directors. If the Notes are issued as publicly offered Notes, the Notes shall be authenticated by the manual signature of the Paying Agent. Furthermore, the President or Vice

President and Secretary (or any acting Secretary or Treasurer appointed for such purpose) are authorized and directed to deliver the Notes, but only after the Department has certified its approval pursuant to Section 8204 of the Act, and to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effectuate the issuance, sale and delivery of the Notes, all in accordance with this Resolution, the Act and the Proposal. If any officer whose signature appears on the Notes shall cease to hold such office before the actual delivery date of the Notes, 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 Notes.

SECTION 12. Appointment of Securities Depository. If the Note is issued as a publicly offered note, the Depository Trust Company, New York, New York (“DTC”), shall act as securities depository for the Notes on behalf of the firms which participate in the DTC book-entry system (“DTC Participants”). The ownership of one fully registered Note for each maturity will be registered in the name of Cede & Co., as nominee for DTC. Each note will be in the aggregate principal amount of such maturity as established in accordance with the final terms of the Notes within the parameters set forth herein shown on **Schedule “A”** attached hereto and as accepted by the School District in accordance with Section 2 hereof. The School District shall cause the Notes to be delivered to DTC for the benefit of the Purchaser on or before the date of issuance of the Notes.

Pursuant to the book-entry only system, any person for whom a DTC Participant acquires an interest in the Notes (the “Beneficial Owner”) will not receive certificated Notes and will not be the registered owner thereof. Ownership interest in the Notes 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 Notes, 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 Notes, is subject to DTC making such payment to DTC Participants and such DTC Participants making payment to Beneficial Owners. Neither the School District 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 Notes.

The School District is authorized to execute such documents as may be necessary or desirable in connection with DTC’s services as securities depository. DTC may determine to discontinue providing its services with respect to the Notes at any time by giving notice to the School District and discharging its responsibilities with respect thereto under applicable law. Under such circumstances, the School District officials then holding the offices set forth in Section 24 of this Resolution are hereby authorized to designate a successor securities depository or to deliver certificates to the Beneficial Owners of the Notes.

SECTION 13. Redemption Provisions.

The Notes shall be subject to redemption prior to maturity at the option of the School District, in whole or in part, and if in part, in such order of maturity or portion of a maturity as the School District shall select and within a maturity by lot, on or after a date specified by the Purchaser and agreed to by the School District which shall not be later than the

first interest payment date following the tenth (10th) anniversary of the Note Issuance Date and as set forth in the corresponding Addendum to the Note Purchase Agreement, upon payment of a redemption price of 100% of the principal amount plus accrued interest to the date fixed for redemption. Any of the maturities of the Notes set for in **Schedule “A”** may be mandatory sinking fund redemptions in lieu of maturities, at a redemption price of 100% of the principal amount thereof, together with accrued interest to the redemption date. Specific redemption provisions, including optional and mandatory redemption provisions, if any, will be set forth in the Notes.

The School District may, in its discretion, instruct the Paying Agent to purchase all or a portion of the Notes subject to being drawn for redemption in any such year (at a price not to exceed the principal amount plus accrued interest) from money in the Sinking Fund or money tendered from the School District to the Paying Agent for such purpose.

If the Notes are issued as a publicly offered Note, and the Notes are subject to redemption prior to its stated maturity, the Paying Agent shall give notice of any such redemption by first-class mail, postage prepaid, mailed not less than twenty (20) nor more than sixty (60) days prior to the redemption date to each registered owner of Notes to be redeemed at its registered address as it appears on the bond register maintained by the Paying Agent, or such other notice of redemption as deemed appropriate. Such notice having been mailed and funds sufficient for redemption having been deposited with the Paying Agent, the Notes so called for redemption shall become due and payable on the date fixed for redemption and interest thereafter shall cease to accrue thereon, whether such Notes shall be presented for payment or not.

If a privately placed general obligation is issued with a commercial lender, as herein authorized, such privately placed general obligation will have a prepayment in whole or in part option, without penalty, subject to the conditions as stated therein.

SECTION 14. Limitation on Indebtedness. It is declared that the debt incurred hereby, together with any other indebtedness of the School District, is not in excess of any limitation imposed by the Act upon the incurring of debt by the School District.

SECTION 15. Federal Tax Covenants. The School District hereby covenants not to take or omit to take any action so as to cause interest on the Notes to be no longer excluded from gross income for the purposes of federal income taxation and to otherwise comply with the requirements of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the “**Code**”), and all applicable regulations promulgated with respect thereto throughout the term of the Notes. The School District further covenants that it will make no investments or other use of the proceeds of the Notes which would cause the Notes to be “arbitrage notes” as defined in Section 148 of the Code. The School District 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 appropriate officers of the School District are authorized to designate, based upon the advice and recommendations of the School District’s note counsel, the Notes as “qualified tax-

exempt obligations” within the meaning of Section 265(b)(3)(B) of the Code. The School District hereby authorizes the proper officers of the School District to execute a certificate to that effect at the time of the closing for the Notes.

SECTION 16. Continuing Disclosure. If the Notes are issued as publicly offered notes, the School District hereby authorizes and directs the appropriate officers to execute and deliver a Continuing Disclosure Agreement (the “**Continuing Disclosure Agreement**”) in form approved by the executing officer, such approval to be conclusively evidenced by his or her execution thereof. The School District further covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provisions of this Resolution, failure of the School District to comply with the Continuing Disclosure Agreement shall not be considered an event of default hereunder or under the Notes; however, the Paying Agent, any Participating Underwriter (as defined in the Continuing Disclosure Agreement), or any Noteholder may take such actions as may be necessary and appropriate, including specific performance by court order, to cause the School District to comply with its obligations under this Section.

SECTION 17. Approval of Official Statement. If the Notes are issued as publicly offered notes, the appropriate officer of the School District authorized by Section 2 of this Resolution to accept the final terms of the Notes in accordance with such Section 2 is hereby authorized to approve the Preliminary Official Statement for the Notes in the form to be prepared by the Purchaser in connection with the public offering and sale of the Notes by the Purchaser, and such Preliminary Official Statement as so approved shall be “deemed final” by the School District as of its date for purposes of United States Securities and Exchange Commission Rule 15c2-12. A final Official Statement to be dated the date of the Addendum to the Note Purchase Agreement setting forth the final terms of the Notes within the parameters established hereunder as accepted by the School District, substantially in the form of the Preliminary Official Statement, with such additions and other changes, if any, as may be approved by the appropriate officer of the School District with the advice of the School District Solicitor and Note Counsel, and containing the final terms of the Notes, shall be prepared and delivered to the Purchaser within seven (7) business days from the date of the Addendum to the Note Purchase Agreement, and the School District hereby approves the use thereof in connection with the public offering and the sale of the Notes.

SECTION 18. Bond Insurance. If the Notes are issued as publicly offered notes, and the Addendum is based on insurance for the Notes, the officers of the School District are hereby authorized to purchase a policy of insurance guaranteeing the payment of the principal of and interest on the Notes to pay the premium for such policy from the proceeds of the Notes and to execute such documents as may be necessary to effect the issuance of such policy. If applicable, the Notes issued under this Resolution may include a statement of the terms of such insurance policy and the Authentication Certificate of the Paying Agent appearing on each Note may include a statement confirming that the original or a copy of the insurance policy is on file with the Paying Agent.

SECTION 19. Refunding of Refunded 2014AA Bonds. Subject only to completion of delivery of, and settlement for, the Notes providing for the current refunding of the Refunded 2014AA Bonds, the School District hereby authorizes the calling of

the Refunded 2014AA Bonds for redemption on or after July 1, 2020. The School District may enter into a request for redemption certificate (the “**Redemption Request Certificate**”) with Manufacturers and Traders Trust Company, as the escrow agent and the Paying Agent for the Refunded 2014AA Bonds (the “**2014AA Bonds Paying Agent**”), providing, among other things, for: (a) the certification to such 2014AA Bonds Paying Agent of the amounts required to pay the principal and interest on the Refunded 2014AA Bonds to the date of redemption; (b) the deposit with said 2014AA Bonds Paying Agent of amounts which, together with interest earnings thereon, if any, will meet such requirements; and (c) the irrevocable pledge of all amounts and investments held under the Redemption Request Certificate for the payment of the Refunded 2014AA Bonds to the date of redemption and the application of such funds to such purposes. The Redemption Request Certificate shall be in form and substance as approved by the signing officers of the School District. The President or Vice President and Secretary or Treasurer of the School District are hereby authorized and directed to execute said Redemption Request Certificate and to deliver the same to the 2014AA Bonds Paying Agent on behalf of the School District. The School District hereby gives and grants the 2014AA Bonds Paying Agent full authority to do and perform all and every act and thing whatsoever requisite and necessary to effectuate the refunding of the Refunded 2014AA Bonds as the School District might do on its own behalf, and hereby ratifies and confirms all that said 2014AA Bonds Paying Agent shall do or cause to be done by virtue thereof.

The President and Vice President and Secretary or Treasurer (or any Acting Secretary or Treasurer appointed for such purpose), or any duly appointed successors, as the case may be, are hereby authorized to execute any agreements or documents deemed appropriate concerning the Refunding Program, including, but not limited to, the Federal Tax Certificate and the Redemption Request Certificate.

SECTION 20. Covenant to Pledge Sufficient Funds. The School District hereby covenants and agrees that, concurrently with the issuance of and payment for the Notes, the School District will have irrevocably pledged with the 2014AA Bonds Paying Agent, amounts sufficient, together with interest, if any, to be earned thereon, to pay: (i) all interest on the Refunded 2014AA Bonds to the date of maturity or redemption thereof; and (ii) the principal of the Refunded 2014AA Bonds to and including the date of maturity or redemption thereof so that the Refunded 2014AA Bonds will no longer be outstanding under the Act.

SECTION 21. Application of Note Proceeds. The purchase price of the Notes payable by the Purchaser shall be paid to the Paying Agent on behalf of the School District. Upon receipt of such funds, the Paying Agent shall deposit the same in a settlement account. From the settlement account, the Paying Agent shall transfer to the 2014AA Bonds Paying Agent the amounts required to effect the Refunding Program as provided in Section 19 hereof. The final amounts of the issuance costs shall be set forth in instructions, the execution and delivery of which on behalf of the School District shall constitute the approval of such costs. Any net proceeds of the Notes remaining after provisions for payment of the foregoing items shall be deposited in the Sinking Fund to be used to pay a portion of the first interest payment due on the Notes.

SECTION 22. Act Applicable to Notes. This Resolution is adopted pursuant to, and the Notes issued hereunder shall be subject to, the provisions of the Act and all the mandatory provisions thereof shall apply hereunder whether or not explicitly stated herein.

SECTION 23. Contract with Note Owners. This Resolution constitutes a contract with the registered owners of the Notes outstanding hereunder and shall be enforceable in accordance with the provisions of the laws of the Commonwealth of Pennsylvania.

SECTION 24. Further Actions. The President and Vice President and Secretary or Treasurer (or any Acting Secretary or Treasurer appointed for such purpose), or any duly appointed successors, as the case may be, in the name of and on behalf of the School District are hereby authorized to execute any agreements, instruments or documents and to do or cause to be done any and all acts and things deemed necessary or appropriate for the carrying out of the purposes of this Resolution and to comply with the Act.

SECTION 25. Severability. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of the School District that such remainder shall be and shall remain in full force and effect.

SECTION 26. Repealer. All prior resolutions or parts thereof inconsistent herewith, are hereby repealed.

SECTION 27. Effective Date. This Resolution shall take effect on the earliest date permitted by the Act.

Adopted: June 8, 2020

SCHEDULE "A"

MAXIMUM ANNUAL DEBT SERVICE SCHEDULE AT MAXIMUM INTEREST RATE

BOND DEBT SERVICE

**South Williamsport Area School District
Parameters for General Obligation Notes, Series of 2020**

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
09/15/2020	550,000	6.000%	21,000	571,000	
03/15/2021			46,500	46,500	
06/30/2021					617,500
09/15/2021	850,000	6.000%	46,500	896,500	
03/15/2022			21,000	21,000	
06/30/2022					917,500
09/15/2022	700,000	6.000%	21,000	721,000	
06/30/2023					721,000
	2,100,000		156,000	2,256,000	2,256,000

SCHEDULE "B"

FORM OF BOND

UNITED STATES OF AMERICA

COMMONWEALTH OF PENNSYLVANIA

**SOUTH WILLIAMSPORT AREA SCHOOL DISTRICT
(Lycoming County, Pennsylvania)**

GENERAL OBLIGATION NOTES, SERIES OF 2020

No. R- _____ \$ _____

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
%	_____, _____	_____, 2020	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

South Williamsport Area School District, Lycoming County, Pennsylvania (the "**School District**"), 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, and to pay interest thereon from _____, 20____ or the most recent Interest Payment Date to which interest has been paid or duly provided for, initially on _____, 20____ and semiannually thereafter on September 15 and March 15 of each year (each, an "**Interest Payment Date**"), at the annual 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 Note 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 _____, 20____. The principal of this Note is payable upon presentation and surrender hereof at the corporate trust office of Manufacturers and Traders Trust Company, in Harrisburg, Pennsylvania or Buffalo, New York (the "**Paying Agent**"). Interest on this Note will be paid on each Interest Payment Date by check mailed to the person in whose name this Note is registered on the registration books of the School District maintained by the Paying Agent, as bond registrar, at the address appearing thereon at the close of business on the fifteenth (15th) day (whether or not a business day) 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 Notes not less than fifteen (15) days prior to the Special Record Date. The principal of and interest on this Note are payable in lawful money of the United States of America.

Notwithstanding the foregoing, so long as this Bond is registered in the name of The Depository Trust Company or Cede & Co., payment of principal, redemption premium (if any) and interest on this Bond shall be made by wire transfer to The Depository Trust Company.

This Note is one of a duly authorized issue of General Obligation Notes, Series of 2020, of the School District in the aggregate principal amount of \$_____ (the “**Notes**”), issued in fully registered book-entry form in the denomination of \$5,000 or any integral multiple thereof, all of like date and tenor, except as to dates of maturity, rates of interest and provisions for redemption, and all issued in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, 53 Pa. Cons. Stat. § 8001 *et seq.*, as amended (the “**Act**”), and pursuant to a resolution of the Board of School Directors of the School District duly adopted on June 8, 2020 (the “**Resolution**”). The Bonds are issued for the purpose of financing the current refunding of [all] [a portion] of the School District’s outstanding General Obligation Bonds, Series AA of 2014 and paying the costs of issuing [and insuring] the Bonds.

Under the laws of the Commonwealth of Pennsylvania, this Note 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 Note or the interest thereon. Profits, gains or income derived from the sale, exchange, or other disposition of this Note are subject to state and local taxation.

[The Notes maturing on or after September 15, _____ are subject to redemption prior to maturity at the option of the School District on _____, _____ or any date thereafter, as a whole or from time to time in part, in such order of maturity or portion of each maturity as may be designated by the School District and within a maturity by lot, upon payment of a redemption price of 100% of the principal amount, together with accrued interest to the date fixed for redemption.]

[The Notes stated to mature on September 15, _____ and September 15, _____ (the “**Term Notes**”) are subject to mandatory redemption prior to their stated maturity in order of maturity and within a maturity by lot by the School District from monies to be deposited in the Sinking Fund established under the Resolution at a redemption price of 100% of principal amount together with accrued interest to the date fixed for redemption. The School District hereby covenants that it will cause the Paying Agent to select by lot, to give notice of redemption and to redeem Term Notes at said price from monies deposited in the Sinking Fund sufficient to effect such redemption (to the extent that Term Notes of the maturity currently required to be redeemed shall not have been previously purchased from said monies by the School District as permitted under the Resolution) on September 15 of the years, in the annual principal amounts

and from the maturities set forth in the following schedule (or such lesser principal amount as shall at the time represent all Term Notes of the maturity currently required to be redeemed which shall then be outstanding):

Mandatory Redemption Schedule

<u>Redemption Date (September 15)</u>	<u>Principal Amount to be Redeemed or Purchased</u>	<u>Maturity From Which to Be Selected</u>
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*Stated Maturity.

[For the purpose of selection of Notes for redemption, any Note of a denomination greater than \$5,000 shall be treated as representing such number of separate Notes, each of the denomination of \$5,000, as is obtained by dividing the actual principal amount of such Note by \$5,000. Any Note which is to be redeemed only in part shall be surrendered at the corporate trust payment office of the Paying Agent, together with a duly executed instrument of transfer in form satisfactory to the Paying Agent, and the registered owner of such Note shall receive, without service charge, a new Note or Notes 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 Note 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 Notes called for redemption, interest on the Notes or portions thereof so called for redemption shall cease to accrue and the Notes or portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Resolution, and registered owners of the Notes so called for redemption shall have no rights with respect to the Notes or portions thereof so called for redemption, except to receive payment of the principal of and accrued interest on the Notes 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 twenty (20) nor more than sixty (60) days before the redemption date to the registered owners of the Notes at their addresses as they appear on the Note register

maintained by the Paying Agent. Such notice shall also be sent to The Depository Trust Company and the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") site. Such notice shall be given in the name of the School District, shall identify the Notes to be redeemed (and, in the case of a partial redemption of any Notes, 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 Notes called for redemption will be payable at the corporate trust payment office of the Paying Agent 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 Note owners, provided that any such notice shall state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of redemption and that reliance may be placed only on the identification numbers prefixed R- printed on the Notes. Failure to mail any notice of redemption, or any defect therein, or in the mailing thereof, with respect to any Note shall not affect the validity of any proceeding for the redemption of other Notes so called for redemption.]

The Notes 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 payment office of the Paying Agent, 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 Notes during a period beginning at the close of business on the fifth (5th) day next preceding the day of selection of Notes 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 Note selected for redemption in whole or in part.

The School District and the Paying Agent may treat the person in whose name this Note is registered on the Note register maintained by the Paying Agent as the absolute owner of this Note for all purposes and neither the School District nor the Paying Agent shall be affected by any notice to the contrary.

So long as the Notes are issued in book-entry form, actual bond certificates are not available for distribution to the beneficial owners and the principal, redemption premium (if any), purchase price and interest on the Notes are payable to Cede & Co., as nominee of the Securities Depository. Transfer of principal, redemption premium (if any) and interest payments to participants of the Securities Depository is the responsibility of the Securities Depository; transfers of principal, redemption premium (if any) and interest to beneficial owners of the Notes by participants of the Securities Depository will be the responsibility of such participants and other nominees of beneficial owners. The School District 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 Notes are no longer registered to a Securities Depository or its nominee, this Note may be registered as transferred only upon the registration books kept for that purpose at the corporate trust payment office of the Paying Agent by the registered owner hereof in person, or by his or her attorney duly authorized in writing, upon presentation and surrender to the Paying Agent of this Note duly endorsed for registration of transfer or accompanied by an assignment duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new registered certificate, in the same aggregate principal amount and of the same maturity shall be issued to

the transferee in exchange therefor. In addition, if the Notes are no longer registered to a Securities Depository, this Note may be exchanged by the registered owner hereof or his or her duly authorized attorney upon presentation at the corporate trust payment office of the Paying Agent for an equal aggregate principal amount of Notes of the same rate of interest and maturity and in any authorized denomination in the manner, subject to the conditions and upon payment of charges, if any, provided in the Resolution.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon, against any member, officer or employee, past, present or future, of the School District or of any successor body, as such, either directly or through the School District 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 members, officers or employees is released as a condition of and as consideration for the execution and issuance of this Note.

Whenever the due date for payment of interest on or principal of this Note shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the jurisdiction in which the corporate trust 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 School District 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 of Pennsylvania to exist, to have happened or to have been performed, precedent to or in 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 School District, is within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania; that the School District has established 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 School District are hereby irrevocably pledged.

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

IN WITNESS WHEREOF, the South Williamsport Area School District, Lycoming County, Pennsylvania has caused this Note to be signed in its name and on its behalf by the manual signature of the President of its Board of School Directors and an impression of its corporate seal to be hereunto affixed, duly attested by the manual signature of the School District Secretary.

SOUTH WILLIAMSPORT AREA SCHOOL
DISTRICT

By: _____
President, Board of School Directors

Attest: _____
School District Secretary

(SEAL)

AUTHENTICATION CERTIFICATE

This Note is one of the South Williamsport Area School District General Obligation Notes, Series of 2020, described in the within mentioned Resolution.

Date of Authentication:

MANUFACTURERS AND TRADERS TRUST
COMPANY, Paying Agent

By: _____
Authorized Representative

STATEMENT OF INSURANCE

[TO BE INSERTED IF INSURANCE IS PURCHASED]

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 Note and all rights thereunder, and hereby irrevocably constitutes and appoints

_____ attorney to transfer said Note
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 Note in every
particular, without alteration or enlargement
or any change whatever.

(Authorized Signature)

[END OF NOTE FORM]

CERTIFICATE OF SECRETARY

The undersigned, Secretary of the Board of School Directors of the South Williamsport Area School District, DOES HEREBY CERTIFY that:

1. The foregoing Resolution, attached hereto and made a part hereof, authorizing up to \$2,100,000 maximum aggregate principal amount General Obligation Notes, Series of 2020 of the South Williamsport Area School District was duly moved and seconded and adopted by a majority vote of all the members of the Board of School Directors of said School District at a duly called and convened public meeting of said Board of School Directors held on June 8, 2020; and that public notice of said meeting was given as required by law.

2. The vote of the members of the Board of School Directors on the Resolution was as follows:

<u>Name</u>	<u>Vote</u>
Nathan Miller, President	
Sue Bowman, Vice President	
Cathy Bachman	
Paige Bingham	
Diane Cramer	
Todd Engel	
Nicholas Fiorini	
Paul McGinn	
Erica Molino	

3. Said Resolution is a true, complete and correct copy of said Resolution, which has not been altered, amended, modified, suspended or repealed and is still in full force and effect as of the date of the delivery of this Certificate, and said Resolution and the votes thereon have been duly recorded in the minutes.

WITNESS my hand and seal of the School District this 8th day of June, 2020.

Board Secretary

(SCHOOL DISTRICT SEAL)