

**TOWNSHIP OF WEST NORRITON**  
**Montgomery County, Pennsylvania**

**ORDINANCE NO. 2020-739**

AUTHORIZING THE INCURRENCE BY THE TOWNSHIP OF WEST NORRITON OF NONELECTORAL DEBT BY THE ISSUANCE OF A GENERAL OBLIGATION NOTE, SERIES OF 2020 IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,560,000 FOR THE PURPOSE OF PROVIDING FUNDS TO (1) FINANCING VARIOUS CAPITAL PROJECTS; AND (2) PAYING THE COSTS OF ISSUING THE NOTE; AUTHORIZING THE PREPARATION OF A DEBT STATEMENT AND OTHER DOCUMENTATION; COVENANTING TO CREATE A SINKING FUND AND TO BUDGET, APPROPRIATE AND PAY DEBT SERVICE ON THE NOTE; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE TOWNSHIP FOR THE PROMPT AND FULL PAYMENT OF THE NOTE; SETTING FORTH THE SUBSTANTIAL FORM OF THE NOTE; SETTING FORTH THE STATED PRINCIPAL MATURITY DATES AND AMOUNTS, INTEREST RATES AND INTEREST PAYMENT DATES, PLACE OF PAYMENT AND OTHER DETAILS OF THE NOTE; AUTHORIZING THE EXECUTION OF A PAYING AGENT AGREEMENT; FINDING THAT A PRIVATE INVITED SALE OF THE NOTE IS IN THE BEST FINANCIAL INTEREST OF THE TOWNSHIP AND ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE NOTE; APPOINTING A PAYING AGENT AND SINKING FUND DEPOSITORY; AND AUTHORIZING OTHER NECESSARY ACTION.

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

WHEREAS, pursuant to the Act, the Township has determined to undertake capital projects as more specifically set forth in **Exhibit A** attached hereto and made a part hereof (the “**Projects**”); and

WHEREAS, the Township has determined to issue its General Obligation Note, Series of 2020 (the “**Note**”) in the aggregate principal amount of \$2,560,000 to finance (i) the Projects, and (ii) the costs and expenses of issuing the Note; and

WHEREAS, the Township has retained Concord Public Financial Advisors, Inc., Lancaster, Pennsylvania, as financial advisor in connection with the issuance of the Note (the “**Financial Advisor**”); and

WHEREAS, pursuant to a Request for Proposal and Term Sheet (the “**Request for Proposal**”) prepared by the Financial Advisor, the Township solicited and received proposals for the Note, the results of which were summarized by the Financial Advisor for the Township; and

WHEREAS, upon the advice of its Financial Advisor, the Township has determined that the proposal that offers the terms that are in the best financial interest of the Township for the purchase of the Note is from Webster Public Finance Corporation, Providence, Rhode Island (the “**Lender**”), which it desires to accept; and

WHEREAS, the Board of Commissioners (the “**Board**”) desires to approve the issuance of the Note, approve the Projects, and accept the Note Purchase Proposal of the Lender.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Township of West Norriton and IT IS HEREBY RESOLVED, as follows:

**1. Authorization of the Projects and Incurrence of Indebtedness; Estimated Useful Life and Cost of the Projects.** The Township hereby approves the Projects as described in the recitals to this Ordinance, and shall incur indebtedness in the form of the Note, pursuant to the Act, in the aggregate principal amount of \$2,560,000 for the purpose of providing funds for and toward the costs of the Projects and the costs and expenses of issuing the Note.

It is hereby determined and declared that: (i) the estimated date of completion of the Projects is October 31, 2021; (ii) the Projects have varying useful lives as described in **Exhibit A** hereto; and (iii) the Township has obtained realistic estimates of the costs of the Projects listed in **Exhibit A** through bid prices or estimates from persons qualified by experience to provide such estimates.

The Township hereby reserves the right to undertake the individual components of the Projects in such order and at such time or times as it shall determine and to allocate a portion of the proceeds of the Note and other available moneys to the final costs of the respective Projects in such amounts and order of priority as it shall determine; but the proceeds of the Note shall be used solely to pay “costs,” as defined in the Act, of the Projects or, upon appropriate amendments to this Ordinance, to pay the costs of other capital projects for which the Township is authorized to incur indebtedness.

It is hereby determined and stated that the Note is scheduled to mature in accordance with the limitations set forth in Section 8142(a)(2) of the Act taking into account the useful lives of the Projects.

**2. Authorization of Issuance of the Notes.** The Township shall issue, pursuant to the Act and this Ordinance, \$2,560,000 principal amount of its General Obligation Note, Series of 2020 in order to provide funds for and toward the costs of the Projects and paying the costs of issuing the Note as authorized and provided in Section 1 hereof.

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

**4. Execution of Debt Statement; Note and Other Documents.** The President or Vice President of the Board and the Secretary or Treasurer of the Township and their successors are hereby authorized and directed to file the Debt Statement required by Section 8110 of the Act, to execute and deliver the Note in the name and on behalf of the Township and to take all other action required by the Act or this Ordinance in order to effect the issuance of the Note. Said officers or any of them are further authorized to apply to the Department of Community and Economic Development for approval of the debt herein authorized and to file with such application a transcript of the proceedings including a certified copy of this Ordinance, the Debt Statement, a Borrowing Base Certificate signed by the appropriate officials of the Township or by the accountants of the Township responsible for auditing its financial affairs, and to take any and all such further action and to execute and deliver such other documents as may be necessary or proper to comply with all requirements of the Act or to carry out the intent and purpose of this Ordinance. Said officers and their successors are further hereby authorized if, in their opinion, it is advisable to do so, to prepare and file such statements and documents as may be required by Section 8024 or 8026 of the Act in order to qualify all or any portion of the existing indebtedness of the Township or of the above authorized indebtedness as subsidized debt or self-liquidating debt.

**5. Type of Notes.** The Note when issued will be a general obligation note.

**6. Covenant to Pay Debt Service - Pledge of Taxing Power.** The Township hereby covenants with the registered owner of the Note: that the Township will include in its budget for each fiscal year for the life of the Note, the amount of the debt service on the Note which will be payable in each such fiscal year so long as the Note shall remain outstanding; that the Township shall appropriate from its general revenues such amounts to the payment of such debt service; and that the Township shall duly and punctually pay or cause to be paid from the sinking fund hereinafter created the principal of the Note and the interest thereon on the dates and at the place and in the manner stated in the Note according to the true intent and meaning thereof. For such budgeting, appropriation and payment the Township hereby pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable. The amounts to be budgeted, appropriated and paid pursuant to the foregoing covenants are set forth in **Exhibit B** attached hereto and made a part hereof which are hereby incorporated in the foregoing covenant with the same effect as if the same were specified in the text of such covenant.

**7. Form of Note.** The Note shall be substantially in the form set forth in **Exhibit C** hereto, with appropriate omissions, insertions and variations.

**8. Terms of Note.** The Note shall be issued in fully registered form, in a single denomination equal to the principal amount thereof and shall be dated the date of issuance thereof or such other date as the Township and Lender shall agree. The Note shall be issued in the aggregate principal amount of \$2,560,000. The Note shall bear interest from the date thereof payable semiannually on May 15 and November 15 of each year, commencing November 15, 2020 (each an "**Interest Payment Date**"), at the rates and shall mature on November 15, in principal amounts not to exceed the principal amount for each maturity as set forth in the Note Amortization Schedule attached hereto as **Exhibit B** and made a part hereof.

The principal of the Note shall be payable in lawful money of the United States of America at the corporate trust office of Webster Bank, N.A., Conshohocken, Pennsylvania, which is hereby appointed paying agent and registrar for the Note and the sinking fund depository (the “**Paying Agent**”). Interest on the Note shall be payable in the manner provided in the form of Note set forth herein.

**9. Redemption of Note.** The Note is subject to redemption prior to maturity at the option of the Township as a whole or from time to time in part, in any order of maturity or portion of a maturity as selected by the Township on November 15, 2025 or any date thereafter, upon payment of a redemption price of 100% of principal amount plus interest accrued to the redemption date. If less than an entire year’s maturity of the Note is to be redeemed at any particular time, such portion of the Note so to be called for redemption shall be chosen by lot by the Paying Agent. Any partial redemption of principal of the Note may be credited against such stated installments of principal on such Note as the Township may designate in writing to the Paying Agent; otherwise a partial prepayment shall be applied against the principal installments last, by date, due and payable.

On the date designated for redemption and upon deposit with the Paying Agent of funds sufficient for payment of the principal and accrued interest on the Note called for redemption, interest on the Note or portions thereof so called for redemption shall cease to accrue and the Note or portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Ordinance, and registered owner of the Note shall have no rights with respect to the Note or portion thereof so called for redemption, except to receive payment of the principal of and accrued interest on the Note or portion thereof 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 fifteen (15) days before the redemption date to the registered owner of the Note at its address as it appears on the Note register maintained by the Paying Agent. Such notice may also be given by the Township directly to the holder of the Note in a manner as further agreed to by the Township and such holder with a copy to the Paying Agent.

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

**10. Sale of Note.** The Note shall be sold at an invited private sale as hereinafter set forth in Section 13. After due consideration, the Board of Commissioners of the Township hereby finds and determines, on the basis of the advice and recommendation of its Financial Advisor and all available information, that such an invited private sale of the Note is in the best financial interest of the Township. The form and use of various materials utilized in connection with such private sale, including the Request for Proposal, are hereby approved and ratified.

**11. Creation of and Deposits in Sinking Fund.** The Township covenants that there shall be and there is hereby established and that it shall hereafter maintain a sinking fund designated “Sinking Fund - General Obligation Note, Series of 2020” for the Note (the “**Sinking Fund**”) to be held by the Paying Agent (or such substitute or successor Paying Agent which shall hereafter be appointed in accordance with the provisions of the Act) in the name of the Township, but subject to withdrawal only by the Paying Agent.

The Township covenants and agrees to deposit in the Sinking Fund no later than each Interest Payment Date the debt service payable on the Note on such dates, all as set forth in **Exhibit B** attached hereto, or such greater or lesser amount as at the time shall be sufficient to pay principal of and interest on the Note becoming due on each such date.

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

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

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

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

**13. Award and Sale of Note.** The Township hereby awards and sells the Note to the Lender at a price equal to the face amount of the Note and in accordance with the terms and conditions contained or incorporated in the Summary of Terms and Conditions of the Lender dated February 20, 2020 which is hereby approved and accepted. A copy of said proposal shall be attached to this Ordinance and lodged with the official minutes of this meeting and is hereby incorporated herein by reference. The proper officers of the Township are hereby authorized and directed to endorse the acceptance of the Township on said proposal and to deliver a copy thereof to the Lender. Delivery of the accepted proposal to the Lender shall constitute conclusive evidence that the award and sale of the Note under this Ordinance has become final.

**14. Contract with Paying Agent.** The proper officers of the Township are authorized to contract for the Note with Webster Bank, N.A., Conshohocken, Pennsylvania, in connection with the performance of its duties as the Paying Agent and Sinking Fund Depository

on usual and customary terms, including an agreement to observe and comply with the provisions of this Ordinance and of the Act.

**15. Federal Tax Covenants.** The Township hereby covenants not to take or omit to take any action so as to cause interest on the Note to be no longer excluded from gross income for purposes of federal income taxation and to otherwise comply with the requirements of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the “Code”), and all applicable regulations promulgated with respect thereto, throughout the term of the Note. The Township further covenants that it will make no investments or other use of the proceeds of the Note which would cause the Note to be “arbitrage bonds” as defined in Section 148 of the Code. The Township further covenants to comply with the rebate requirements (including the prohibited payment provisions) contained in Section 148(f) of the Code and any regulations promulgated thereunder, to the extent applicable, and to pay any interest or penalty imposed by the United States for failure to comply with said rebate requirements, to the extent applicable.

The Township hereby represents and warrants, after due investigation and to the best of its knowledge, that (i) the Note is not a “private activity bond” within the meaning of Section 141 of the Code and (ii) the aggregate face amount of “qualified tax-exempt obligations” within the meaning of Section 265(b)(3)(B) of the Code (which includes qualified 501(c)(3) bonds but not any other private activity bonds) issued or to be issued by the Township (and all entities that must be aggregated with it pursuant to the Code) during the 2020 calendar year is not reasonably expected to exceed \$10,000,000 (other than certain other obligations not required to be taken into account for purposes of Section 265 of the Code). The Township hereby designates the Note as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3)(B) of the Code. The Township hereby authorizes the proper officers of the Township to execute a certificate to that effect at the time of closing.

The Township reasonably expects that (a) the Township will enter into binding obligations to spend at least five percent (5%) of the proceeds of the Note related to the Projects within six months of the date of the date of issuance of the Note, (b) the Township will proceed with due diligence to complete the Projects, and (c) at least 85% of the proceeds of the Note related to the Projects will be expended on the Projects within three years of the date of issuance of the Note.

**16. Execution and Authentication of Note.** As provided in Section 4, the Note shall be executed by the President or the Vice President of the Board and the Secretary or Treasurer of the Township and each such execution shall be by manual or facsimile signature. If any officer whose signature appears on the Note shall cease to hold such office before the actual delivery date of the Note, 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 Note. The Note shall be authenticated by the manual signature of an authorized representative of the Paying Agent.

**17. Application of Note Proceeds.** The purchase price for the Note will be the principal amount thereof and consists of the amounts to be fully advanced by the Lender to the Township upon the issuance of the Note. Upon receipt of the purchase price for the Note, the Lender shall pay the costs and expenses of the financing as directed in writing by the Township,

and the proper officers of the Township are authorized to provide such direction. The Lender shall transfer the net proceeds of the Note to the Township, and the Township shall pay the costs of the Projects from the proceeds of the Note as such costs are incurred.

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

**19. Contract with Note Owner.** This Ordinance constitutes a contract with the registered owner of the Note outstanding hereunder and shall be enforceable in accordance with the provisions of the laws of the Commonwealth of Pennsylvania.

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

**21. Bond Counsel.** The Township hereby appoints Cozen O'Connor to act as Bond Counsel to the Township with respect to the transactions contemplated by this Ordinance.

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

**23. Act Applicable to Bonds.** This Ordinance is enacted pursuant to, and the Note issued hereunder shall be subject to, the provisions of the Act and all of the mandatory provisions thereof shall apply hereunder whether or not explicitly stated herein.

**24. Severability.** In case any one or more of the provisions contained in this Ordinance or in the Note shall for any reason be held to be invalid, illegal or unenforceable in

any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Ordinance or of said Note, and this Ordinance or said Note shall be construed and enforced as if such invalid, illegal or unenforceable provisions had never been contained therein.

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



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

ENACTED this 10<sup>th</sup> day of March, 2020.

(TOWNSHIP SEAL)

TOWNSHIP OF WEST NORRITON

ATTEST

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President  
Board of Commissioners

**EXHIBIT A**

**TOWNSHIP OF WEST NORRITON**

**\$2,560,000 GENERAL OBLIGATION NOTE, SERIES OF 2020**

The Township is financing capital projects (which include related site work, design, permitting and contingency costs) related to Township facilities and equipment, including without limitation the following:

<u>Project Description</u>	<u>Estimated Cost</u>	<u>Estimated Useful Life (Not Less Than)</u>
1. Repaving of the parking lot at Centennial Park.	\$422,000	20 years
2. Construction of new restroom facilities and storage at the Firehouse Recreation site.	262,000	20 years
3. Repaving and expansion of the parking lot at the Firehouse Recreation site.	80,000	20 years
4. Repaving and expansion of the parking lot at Padden Park.	354,000	20 years
5. Removal of existing playground equipment and pavilion and purchase, construction and installation of new playground equipment and pavilion at Padden Park.	567,000	20 years
6. Mill and repave various roads, including the repair and replacement of stormwater inlets, in the Regent's Park neighborhood of the Township	805,000	20 years
<b>TOTAL</b>	<b>\$2,490,000</b>	

**EXHIBIT B**

**TOWNSHIP OF WEST NORRITON**

**AMORTIZATION SCHEDULE FOR NOTE**

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
11/15/2020			\$37,196.02	\$37,196.02	\$37,196.02
05/15/2021			31,731.20	31,731.20	
11/15/2021	\$107,000	2.479%	31,731.20	138,731.20	170,462.40
05/15/2022			30,404.94	30,404.94	
11/15/2022	110,000	2.479	30,404.94	140,404.94	170,809.88
05/15/2023			29,041.49	29,041.49	
11/15/2023	113,000	2.479	29,041.49	142,041.49	171,082.98
05/15/2024			27,640.85	27,640.85	
11/15/2024	115,000	2.479	27,640.85	142,640.85	170,281.70
05/15/2025			26,215.43	26,215.43	
11/15/2025	118,000	2.479	26,215.43	144,215.43	170,430.86
05/15/2026			24,752.82	24,752.82	
11/15/2026	121,000	2.479	24,752.82	145,752.82	170,505.64
05/15/2027			23,253.02	23,253.02	
11/15/2027	124,000	2.479	23,253.02	147,253.02	170,506.04
05/15/2028			21,716.04	21,716.04	
11/15/2028	127,000	2.479	21,716.04	148,716.04	170,432.08
05/15/2029			20,141.88	20,141.88	
11/15/2029	130,000	2.479	20,141.88	150,141.88	170,283.76
05/15/2030			18,530.53	18,530.53	
11/15/2030	134,000	2.479	18,530.53	152,530.53	171,061.06
05/15/2031			16,869.60	16,869.60	
11/15/2031	137,000	2.479	16,869.60	153,869.60	170,739.20
05/15/2032			15,171.48	15,171.48	
11/15/2032	140,000	2.479	15,171.48	155,171.48	170,342.96
05/15/2033			13,436.18	13,436.18	
11/15/2033	144,000	2.479	13,436.18	157,436.18	170,872.36
05/15/2034			11,651.30	11,651.30	
11/15/2034	147,000	2.479	11,651.30	158,651.30	170,302.60
05/15/2035			9,829.24	9,829.24	
11/15/2035	151,000	2.479	9,829.24	160,829.24	170,658.48
05/15/2036			7,957.59	7,957.59	
11/15/2036	155,000	2.479	7,957.59	162,957.59	170,915.18
05/15/2037			6,036.37	6,036.37	

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Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
11/15/2037	\$159,000	2.479%	\$6,036.37	\$165,036.37	\$171,072.74
05/15/2038			4,065.56	4,065.56	
11/15/2038	162,000	2.479	4,065.56	166,065.56	170,131.12
05/15/2039			2,057.57	2,057.57	
11/15/2039	166,000	2.479	2,057.57	168,057.57	170,115.14
Totals	\$2,560,000		\$718,202.20	\$3,278,202.2	\$3,278,202.20

**EXHIBIT C**

**[FORM OF NOTE]**

UNITED STATES OF AMERICA

COMMONWEALTH OF PENNSYLVANIA

TOWNSHIP OF WEST NORRITON

GENERAL OBLIGATION NOTE, SERIES OF 2020

The Township of West Norriton, Montgomery County, Pennsylvania (the “**Township**”), a political subdivision of the Commonwealth of Pennsylvania, for value received, hereby promises to pay to Webster Public Finance Corporation, Providence, Rhode Island (the “**Bank**”), or registered assigns, the maximum principal sum of

**TWO MILLION FIVE HUNDRED SIXTY THOUSAND DOLLARS (\$2,560,000)**

and to pay interest on the unpaid principal balance of this Note from the date hereof at the interest rate hereinafter set forth. The principal of and interest on this Note are payable on May 15 and November 15 with respect to interest, commencing November 15, 2020, and on November 15 with respect to principal, commencing November 15, 2021, in lawful money of the United States of America at the office of Webster Bank, N.A., Conshohocken, Pennsylvania (the “**Paying Agent**”) or at such other place as the registered owner of this Note may designate in writing. The principal of this Note is payable in the amounts further provided on **Schedule I** attached hereto. All outstanding principal and interest shall be due and payable in full upon maturity on November 15, 2039. To the extent less than the maximum principal sum is advanced hereunder, principal payments will be reduced on a pro rata basis over the life of the Note unless otherwise directed in writing by the Township. Interest shall be calculated based on a year of 360 days comprised of twelve (12) thirty (30) day months.

This Note shall bear interest at a fixed rate of 2.479% per annum, until maturity or earlier payment.

This Note is issued in fully registered form in accordance with the Local Government Unit Debt Act, 53 Pa. Cons. Stat. § 8001, et seq., as amended (the “**Act**”), and pursuant to an ordinance of the Township duly enacted on March 10, 2020 (the “**Ordinance**”). This Note is issued for the purpose of financing various capital projects and to pay the costs of issuing the Note, as described in the Ordinance.

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 Note is subject to redemption prior to maturity at the option of the Township as a whole or from time to time in part, in any order of maturity or portion of a maturity as selected by the Township on November 15, 2025 or any date thereafter, upon payment of a redemption price of 100% of principal amount plus interest accrued to the redemption date. If less than an entire year's maturity of the Note is to be redeemed at any particular time, such portion of the Note so to be called for redemption shall be chosen by lot by the Paying Agent. Any partial redemption of principal of the Note may be credited against such stated installments of principal on such Note as the Township may designate in writing to the Paying Agent; otherwise a partial prepayment shall be applied against the principal installments last, by date, due and payable.

On the date designated for redemption and upon deposit with the Paying Agent of funds sufficient for payment of the principal and accrued interest on this Note called for redemption, interest on this Note or portions thereof so called for redemption shall cease to accrue and this Note or portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Ordinance, and registered owner of this Note shall have no rights with respect to this Note or portion thereof so called for redemption, except to receive payment of the principal of and accrued interest on this Note or portion thereof 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 fifteen (15) days before the redemption date to the registered owner of this Note at its address as it appears on the Note register maintained by the Paying Agent. Such notice may also be given by the Township directly to the holder of this Note in a manner as further agreed to by the Township and such holder with a copy to the Paying Agent.

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

This Note is transferable by the registered owner thereof, subject to payment of any required tax, fee or other governmental charge, upon presentation and surrender thereof at the designated corporate trust 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 to transfer or exchange this Note if selected for redemption in whole or in part.

The Township 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 Township nor the Paying Agent shall be affected by any notice to the contrary.

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 Commissioner, officer or employee, past, present or future, of the Township or of any successor body, as such, either directly or through the Township or through any such successor body under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such Commissioners, 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 Commonwealth of Pennsylvania or in the jurisdiction in which the corporate trust or payment office of the Paying Agent is located are authorized by law or executive order to close (a “**Holiday**”), then the payment of such interest or principal need not be made on such date, but may be made on the succeeding day which is not a Holiday, with the same force and effect as if made on the due date for payment of principal or interest.

It is hereby certified that the approval of the Department of Community and Economic Development of the Commonwealth of Pennsylvania for the Township to issue and deliver this 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 Township, is within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania; that the Township has established a sinking fund for the Note and shall deposit therein amounts sufficient to pay the principal of and interest on the Note 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 Township are hereby irrevocably pledged.

This Note shall not be entitled to any benefit under the Ordinance 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 Township of West Norriton, Montgomery County, Pennsylvania has caused this Note to be signed in its name and on its behalf by the signature of the President of its Board of Commissioners and an impression of its corporate seal to be hereunto affixed, duly attested by the signature of the Secretary of the Township.

TOWNSHIP OF WEST NORRITON

By: \_\_\_\_\_  
President, Board of Commissioners

Attest: \_\_\_\_\_  
Secretary

(SEAL)



AUTHENTICATION CERTIFICATE

This Note is the Township of West Norriton General Obligation Note, Series of 2020, described in the within mentioned Ordinance.

DATE OF AUTHENTICATION:

WEBSTER BANK, N.A., as  
Paying Agent

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

ASSIGNMENT AND TRANSFER

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

PLEASE INSERT SOCIAL SECURITY OR  
EMPLOYER IDENTIFICATION NUMBER OF  
ASSIGNEE

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

\_\_\_\_\_  
the within 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)

**Schedule I**

**TOWNSHIP OF WEST NORRITON**

Date	Principal Amount Due
11/15/2021	\$107,000
11/15/2022	110,000
11/15/2023	113,000
11/15/2024	115,000
11/15/2025	118,000
11/15/2026	121,000
11/15/2027	124,000
11/15/2028	127,000
11/15/2029	130,000
11/15/2030	134,000
11/15/2031	137,000
11/15/2032	140,000
11/15/2033	144,000
11/15/2034	147,000
11/15/2035	151,000
11/15/2036	155,000
11/15/2037	159,000
11/15/2038	162,000
11/15/2039	166,000
Total	\$2,560,000

[END OF NOTE FORM]

CERTIFICATE OF SECRETARY

The undersigned, Secretary of the Township of West Norriton HEREBY CERTIFIES that:

The foregoing Ordinance authorizing the issuance of General Obligation Note, Series of 2020 of the Township was duly moved and seconded and enacted by a majority vote of all the Board of Commissioners of said Township at a duly called and convened meeting of said Board held on March 10, 2020; that public notice of said meeting was given as required by law; and that the roll of the Board of Commissioners was called and such members voted or were absent as follows:

<u>Name</u>	<u>Vote</u>
Martin Miller, President	_____
Judith Eckles, Vice President	_____
Roseanne Milazzo	_____
Anne Pavone	_____
Peter Smock	_____

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

WITNESS my hand and seal of the Township this 10<sup>th</sup> day of March, 2020.

\_\_\_\_\_  
JASON M. BOBST, Township Manager/Secretary

(SEAL)