

**RESOLUTION – 2020**  
**WILSON SCHOOL DISTRICT**  
**BERKS COUNTY, PENNSYLVANIA**

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOTES IN THE AMOUNT OF UP TO THIRTY THREE MILLION DOLLARS (\$33,000,000); PROVIDING FOR THE DATE, MAXIMUM INTEREST, MAXIMUM MATURITY DATES 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 AND/OR NEGOTIATED PLACEMENT 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.

WHEREAS Wilson School District, Berks County, Pennsylvania (“School District” or “Local Government Unit”) has heretofore issued its General Obligation Bonds, Series B of 2013 (the “**2013B Bonds**”); and

WHEREAS, the proceeds of the 2013B Bonds were used for the purposes of: (i) financing various capital projects and school projects within the School District including, without limitation, the design, construction and building of new school buildings and/or additions, renovations and improvements to existing school buildings and related facilities, including, without limitation, athletic and pool facilities; and (ii) paying the costs and expenses related to the issuance of the 2013B Bonds; and

WHEREAS, the School District has heretofore issued its General Obligation Bonds, Series C of 2013 (the “**2013C Bonds**”); and

WHEREAS, the proceeds of the 2013C Bonds were used for the purposes of: (i) the advanced refunding of all or a portion of the School District’s outstanding General Obligation Bonds, Series of 2005 (the “2005 Bonds”); (ii) the advanced refunding of a portion of the School District’s outstanding General Obligation Bonds, Series of 2007 (the “2007 Bonds”); and (iii) paying the costs and expenses related to the issuance of the 2013C Bonds; and

WHEREAS, the proceeds of the 2005 Bonds were used for the purposes of: (i) the financing of certain capital projects of the School District; and (ii) paying the costs and expenses related to the issuance of the 2005 Bonds; and

WHEREAS, the proceeds of the 2007 Bonds were used for the purposes of: (i) provide funds for various capital projects within the School District, including, without limitation, the construction of a new junior high school; and (ii) paying the costs and expenses related to the issuance of the 2007 Bonds; and

WHEREAS, the School District has heretofore issued its General Obligation Bonds, Series of 2016 (the "**2016 Bonds**"); and

WHEREAS, the proceeds of the 2016 Bonds were used for the purposes of: (i) the current refunding of all or a portion of the School District's outstanding General Obligation Notes, Series A of 2015 (the "**2015A Notes**"); and (ii) paying the costs and expenses related to the issuance of the 2016 Bonds; and

WHEREAS, the proceeds of the 2015A Notes were used for the purposes of: (i) the current refunding of a portion of the School District's outstanding 2007 Bonds (used for the purposes previously stated above); and (ii) paying the costs and expenses related to the issuance of the 2015A Notes; and

WHEREAS, the School District has heretofore issued its General Obligation Notes, Series B of 2017 (the "**2017B Notes**"); and

WHEREAS, the proceeds of the 2017B Notes were used for the purposes of: (i) financing various projects consisting of roof repairs, replacements or upgrades, floor refinishing, playground upgrades, paving, curb and sidewalk repairs, acquisition of buses, security camera upgrades and acquisition of capital equipment, and renovations/upgrades to various buildings and facilities; and (ii) paying the costs and expenses related to the issuance of the 2017B Notes; and

WHEREAS, the School District has heretofore issued its General Obligation Notes, Series C of 2017 (the "**2017C Notes**"); and

WHEREAS, the proceeds of the 2017C Notes were used for the purposes of: (i) the current refunding of all a portion of the 2013C Bonds (which were used for the purposes previously stated above); and (ii) paying the costs and expenses related to the issuance of the 2017C Notes; and

WHEREAS, the School District has heretofore issued its General Obligation Notes, Series B of 2018 (the "**2018B Notes**"); and

WHEREAS, the proceeds of the 2018B Notes were used for the purposes of: (i) the current refunding of all or a portion of the School District's General Obligation Bonds, Series of 2014 (the "**2014 Bonds**"); and (ii) paying the costs and expenses related to the issuance of the 2018B Note; and

WHEREAS, the proceeds of the 2014 Bonds were used for the purposes of: (i) the advanced refunding of a portion of the 2007 Bonds (which were used for the purposes previously stated); and (ii) paying the costs and expenses related to the issuance of the 2014 Bonds; and

WHEREAS, the School District has determined to undertake a project, consisting of: (i) the current refunding of all or a portion of the School District's outstanding 2013B Bonds; (ii)

the current refunding of all or a portion of the School District's outstanding 2013C Bonds; (iii) the current refunding of all or a portion of the School District's outstanding 2016 Bonds; (iv) the current refunding of all or a portion of the School District's outstanding 2017B Notes; (v) the current refunding of all or a portion of the School District's outstanding 2017C Notes; (vi) the current refunding of all or a portion of the School District's outstanding 2018B Notes (all together, the "Refunded Obligations"); and (vii) paying the costs and expenses related to the issuance of the Bonds hereinafter defined (collectively, the "Project"); and

WHEREAS, the School District has determined to finance the Project by incurring indebtedness and issuing its General Obligation Notes, in one or more series (collectively, the "Notes") in accordance with the Pennsylvania Local Government Unit Debt Act, as codified by the Act of December 19, 1996 (P.L. 1158, No. 177) (the "Act"), the proceeds of which shall be used for the purpose of financing the Project and paying the expenses of issuing the Notes; and

WHEREAS, the School District has retained Financial S&Lutions, LLC as financial advisor in connection with the issuance of the Notes; and

WHEREAS, the School District has determined to establish certain parameters under which it will accept a proposal (the "Proposal") for the purchase of the Notes, hereinafter described, and has determined that (i) a private sale by negotiation, or (ii) a negotiated placement of the Notes to finance the Project and the expenses of the financing is in the best financial interest of the School District; and

WHEREAS, the School District has received a Proposal for (i) the purchase at a private sale by negotiation of the Notes by RBC Capital Markets, LLC (the "Purchaser"), and/or (ii) a negotiated placement of the Notes in the form of one or more bank loans with RBC Capital Markets, LLC serving as bank loan agent, as determined by the School District, which Notes shall be in the aggregate principal amount of up to \$33,000,000.00, and are to be issued in one or more series beginning effective in or around October 2020, or as otherwise determined by the School District in accordance with the terms and conditions of the Proposal, and the Board of School Directors desires to accept such Proposal and to authorize and direct certain acts and things necessary and proper to effectuate the issuance, sale and delivery of the Notes.

WHEREAS, the School District desires to authorize the issuance of the Notes for the purposes set forth herein, upon the terms and conditions and in the form as herein provided, and to authorize the acceptance of the Proposal.

NOW, THEREFORE, BE IT ADOPTED AND RESOLVED by the Board of School Directors as follows:

## **SECTION 1: DEFINITIONS**

**Section 1.01 Definitions.** In addition to the terms defined in the foregoing recitals, the following terms and phrases shall be defined as follows for the purposes of this Resolution:

"Board" shall mean the Board of School Directors of the School District.

“Bond Register” shall mean the books and records (whether in written or electronic form) maintained by the Bond Registrar for the purpose of recording ownership, transfer or exchange of the Notes.

“Bond Registrar” shall mean, initially, the Paying Agent, acting in the capacity of registrar for the Notes and if, at any time, the School District shall appoint another entity with the qualifications set forth herein to serve as successor Bond registrar for the Notes. “Bond Registrar” shall mean the Person so acting in the capacity of registrar for the Notes.

“Escrow Agent” shall mean Manufacturers and Traders Trust Company, Harrisburg, Pennsylvania, and any successor thereto, or any other escrow agent that the School District appoints, acting in the capacity of escrow agent with respect to the holding of the Notes in escrow prior to delivery to Purchaser or, if the School District at any time shall have appointed another bank, bank and trust company or national bank to serve as successor escrow agent with respect to the Notes, the successor so appointed and any successor thereto.

“Paying Agent” shall mean Manufacturers and Traders Trust Company, Harrisburg, Pennsylvania, and any successor thereto, or any other paying agent that the School District appoints, acting in the capacity of paying agent and sinking fund depository with respect to the Notes or, if the School District at any time shall have appointed another bank, bank and trust company or national bank qualified under the Act to serve as successor paying agent and sinking fund depository with respect to the Notes, the successor so appointed and any successor thereto.

“Person” shall mean natural persons, firms, partnerships, associations, corporations and public bodies.

“Resolution” shall mean this Resolution as amended or supplemented from time to time by all resolutions supplemental hereto.

“Supplemental Resolution” shall mean any resolution supplemental to this Resolution.

## **SECTION 2: ISSUANCE, SALE AND DELIVERY OF NOTES; PLEDGE OF TAXING POWER**

Section 2.01 *Authorization of Issuance of Notes and Approval of Refunding Project.*  
The School District hereby approves the Project described in the recitals hereto and authorizes the incurring of indebtedness pursuant to the Act by the issuance of the Notes, in one or more series, in the principal amount of up to THIRTY THREE MILLION DOLLARS (\$33,000,000) for the purpose of providing funds for and toward the costs of the Project, including the financing of expenses associated therewith. The Project is being undertaken by the School District for the purposes of: (i) with regard to the refunding of the 2017B Notes, 2017C Notes, 2018B Notes, and 2013B Bonds, reducing the debt service that would otherwise be payable on the applicable Refunded Obligations, in compliance with Section 8241(b)(1) of the Act; and (ii) with respect to the refunding of the 2016 Bonds and 2013C Bonds, substituting notes for bonds,

in compliance with Section 8241(b)(5) of the Act. The Notes are to be sold and delivered as hereinafter provided. All of the debt to be incurred upon issuance of the School District's Notes shall be incurred as non-electoral debt.

Section 2.02 **Private Sale by Negotiation or Negotiated placement.** The private sale by negotiation to the Purchaser and/or the negotiated placement of the Notes with a commercial bank with RBC Capital Markets, LLC serving as bank loan agent, as determined by the School District, to finance the Project and the costs and expenses of the financing is hereby determined to be in the best financial interest of the School District.

Section 2.03 **Useful Life.** The realistic estimated useful lives of the projects financed or refinanced with the proceeds of the Refunded Obligations were determined at the time of issuance of the Refunded Obligations, and will extend beyond the maturity of the Notes. More specifically:

(i) The realistic estimated useful lives of the projects financed with the proceeds of the 2013B Bonds, and refinanced in part with the proceeds of the 2017C Notes, were determined at the time of issuance of the 2013B Bonds to be not less than fifteen (15) years and will extend beyond the maturity of the Notes.

(ii) The realistic estimated useful lives of the projects financed with the proceeds of the 2005 Bonds and refinanced with the proceeds of the 2013C Bonds were determined at the time of issuance of the 2005 Bonds to be at least twenty-five (25) years and will extend beyond the maturity of the Notes.

(iii) The realistic estimated useful lives of the projects financed with the proceeds of the 2007 Bonds and refinanced with the proceeds of the 2013C Bonds, 2014 Bonds, 2015A Notes, 2016 Bonds and 2018B Notes were determined at the time of issuance of the 2007 Bonds to be in excess of thirty (30) years and will extend beyond the maturity of the Notes.

(iv) The realistic estimated useful lives of the projects financed with the proceeds of the 2017B Notes were determined at the time of issuance of the 2017B Notes to be not less than twenty (20) years and will extend beyond the maturity of the Notes.

Section 2.04 **Execution, Issuance and Delivery Authorized.** The Notes, when issued, shall be executed either manually or by facsimile by the President or Vice President of the Board of School Directors and shall have the corporate seal or facsimile thereof of the School District affixed thereto and be duly attested by the Secretary or Assistant Secretary (or any acting Secretary or Assistant Secretary appointed for such purpose) of the Board of School Directors. The Notes shall be authenticated by the signature of the Paying Agent. Furthermore, the President or Vice President and Secretary (or any acting Secretary or Assistant Secretary 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 and the Act and/or the Proposal.

Section 2.05 **Acceptance of Proposal.** The School District hereby acknowledges receipt of a form of proposal from the Purchaser submitting a final Proposal in the form thereof pursuant to which the School District agrees to sell its Notes and/or place its Notes as a negotiated placement in the form of a loan, in one or more series, over any number of years, to the Purchaser and/or with the bank loan agent pursuant to the Proposal, subject to the satisfaction of the conditions and parameters set forth therein as shall be confirmed as set forth below which is hereby approved, and the proper officers of the School District, as described below, are hereby authorized to execute the Proposal on behalf of the School District. A copy of the form of Proposal, as well as any addenda thereto, shall be delivered to the Secretary of this School District and shall be affixed to and shall become part of this Resolution as Schedule "B". Upon a determination by the President or Vice President that any addendum submitted to the School District by the Purchaser meets the parameters set forth below, the President and Secretary of the Board of Directors or the Vice President or Assistant Secretary, 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 accept and execute the addendum on behalf of the School District in accordance therewith, and deliver a copy of the same to the Secretary of the Board of Directors of the School District pursuant to the procedure set forth below.

In the event that the proposal for the purchase of the Notes offering the lowest interest cost to the School District 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 2.06 **Pledge of Taxing Power.** It is hereby covenanted to and with the holders from time to time of the Notes that the School District shall include in its budget in each fiscal year to the fullest extent authorized under law the amount of the debt service on the Notes for each fiscal year in which such sums are payable, shall appropriate such amounts to the payment of such debt service on the Notes, and shall duly and punctually pay or cause to be paid the principal of and interest on the Notes at the dates and places and in the manner stated in the Notes according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the School District pledges its full faith, credit and taxing power. As provided in Section 8104 of the Act, this covenant shall be specifically enforceable.

Section 2.07 **Department Filing.** The President and Secretary of the Board of Directors or the Vice President or Assistant Secretary, in the absence of the President or Secretary, respectively, or any duly appointed successors, as the case may be, are hereby directed to prepare and certify and to file the debt statement required by Section 8110 of the Act, to execute and deliver the Notes evidencing the debt to be incurred to the purchaser thereof, and to prepare and certify all filings required pursuant to Section 8111 of the Act, pertaining to submission to the Pennsylvania Department of Community and Economic Development (the "Department"), of the transcript of the proceedings, which shall include certified copies of this Resolution, proofs of

proper publication, the Proposal, as amended, and such other documents as may be necessary in connection with the same and to take all such further action and to execute and deliver such other documents as may be necessary or appropriate to comply with all requirements of the Act or to carry out the intent and purposes of this Resolution.

Section 2.08 **Official Statement.** In the event that the Notes are sold at a private sale by negotiation by the Purchaser, each series of the Notes will, unless privately marketed, be sold pursuant to a Preliminary Official Statement and/or an Official Statement (collectively, "**Official Statement**"). The President or Vice President of the Board are hereby authorized to approve the form and content of the Preliminary Official Statement to be presented to them for approval and to declare that the Preliminary Official Statement is deemed to be final for the purposes of Rule 15c2-12(b)(1) of the Securities Exchange Commission. The Official Statement, as so approved, and the preparation and the arrangements by Purchaser and the verification agent, if applicable, are hereby authorized and approved and the distribution thereof by the Purchaser is authorized. The President or Vice President of the Board is hereby authorized, empowered and directed on behalf of the School District to execute the Official Statement in substantially the form approved with such additions, deletions or changes as are necessary to make such document in its final form conform to the terms and conditions of the Proposal and to deliver same to the Purchaser.

Section 2.09 **Necessary Further Action.** The President or Vice President of the Board and the Secretary or Assistant Secretary of the School District, as the case may be, are authorized, empowered and directed to take such further action and to do or cause to be done any and all acts and things as may be necessary or appropriate to execute or carry out the purposes of this Resolution, to incur the debt hereby authorized and to effectuate the issuance, sale and delivery of the Notes, and such actions of such officers shall be deemed the actions of the School District.

The School District's Note Counsel, Fox Rothschild LLP, is hereby authorized and directed to prepare all documents required in connection with the issuance, sale and delivery of the Notes as Note Counsel deems necessary or appropriate and to arrange for the printing thereof and of the Notes.

### **SECTION 3: THE NOTES**

#### **Section 3.01 Form and Terms of Notes.**

(a) The School District hereby establishes that the Notes authorized hereunder shall be subject to the following parameters: (i) the Notes shall be issued in one or more series, in any year or years, and shall not exceed an aggregate of THIRTY THREE MILLION DOLLARS (\$33,000,000) in aggregate principal amount (net of original issue discount/premium); (ii) the Notes shall not mature later than the dates set forth on Schedule "A" attached hereto and made part hereof or such other dates selected by the School District within the same fiscal year as the dates set forth on Schedule "A"; (c) if the Notes are sold to Purchaser, the purchase price for the Notes shall not be less than 95.0% or more than 125.0% of par of the Notes; (d) if the Notes are sold to Purchaser, the underwriter's discount shall not exceed \$8.50 per \$1,000.00 of Notes; and (e) if the Notes are placed with a commercial bank, the bank loan agent's fees shall not exceed \$7.50 per \$1,000.00 of Notes.

(b) RBC Capital Markets, LLC shall determine the final terms of the Notes within the parameters set forth in the Proposal and this Resolution, including without limitation the final interest rates, interest rate mode, initial offering prices and yields and any other appropriate terms and conditions applicable to the Notes, and shall present such final terms to the Business Administrator or Chief Financial Officer of the School District. The Business Administrator or Chief Financial Officer is hereby authorized and directed to review the final terms of each series of the Notes presented by the Purchaser and to determine if such terms are within the parameters established hereunder. Upon presentation by RBC Capital Markets, LLC of the final terms of each series of the Notes in satisfaction of the conditions and parameters set forth in the Proposal and this Resolution, and with the recommendation of the Business Administrator or Chief Financial Officer of the School District, the President and Secretary of the Board of Directors or the Vice President or Assistant Secretary, 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 confirm in writing that such conditions and parameters have been satisfied, to accept the final terms of the applicable series of the Notes, to execute and deliver an Addendum to the Note Purchase Agreement setting forth the final terms of the Notes and to authorize the release of the Notes upon settlement thereof.

(c) In the event the Notes are sold to Purchaser, the Notes shall be payable at the place and in the manner and shall be substantially in the form attached hereto as Schedule "C" and made a part hereof. The Notes shall be numbered as issued, without regard to denomination or maturity. In the event the Notes are sold to a commercial bank, the Notes shall be payable at the place and in the manner and shall be substantially in the form attached hereto as Schedule "D" and made a part hereof.

Section 3.02 **Bond Register; Status of Registered Owners.** In the event the Notes are sold to Purchaser, the Bond Registrar shall keep books for the registration of ownership, transfer and exchange of Notes in the manner provided therein and herein so long as any Notes shall remain outstanding. As to any Note, the School District and the Paying Agent may deem and treat the Person or Persons in whose name(s) ownership of such Note is registered on the Bond Register as the absolute owner thereof for all purposes, whether such Note shall be overdue or not, and payment of the principal of, premium, if any, and interest on any such Note shall be made only to or upon the order of the registered owner thereof or his legal representative, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon any such Note, to the extent of the sum or sums so paid, and neither the School District nor the Paying Agent shall be affected by any notice to the contrary.

Section 3.03 **Registration, Transfer and Exchange of Notes.** In the event the Notes are sold to Purchaser, all Notes shall be issued in registered form and the ownership thereof shall be recorded by the Bond Registrar upon the Bond Register upon original issuance thereof and upon subsequent transfer of ownership or exchange as herein provided. Registration of a transfer of ownership of any Note shall be made upon the Bond Register upon surrender of such Note to the Bond Registrar, at its Designated Office, accompanied by a written instrument or instruments of assignment and transfer in form, with instructions, and with guaranty of signature satisfactory



to the Bond Registrar, duly executed by the owner of such Note or his attorney-in-fact or legal representative. The Bond Registrar shall enter any transfer of ownership of such Note in the Bond Register and shall authenticate and deliver at the earliest practicable time in the name of the transferee or transferees a new fully registered Note or Notes of like tenor in authorized denomination(s) for the aggregate principal amount which the transferee is entitled to receive. Any of the Notes, upon surrender thereof at the Designated Office of the Bond Registrar, accompanied by written instructions satisfactory to the Bond Registrar, duly executed by the owner thereof or his attorney or legal representative, may be exchanged for a like aggregate principal amount of Notes of like tenor of other authorized denominations. All such registration of transfers and exchanges shall be made without cost to the holder or his transferee, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the holder requesting such transfer or exchange as a condition precedent to the exercise of such privilege.

The School District and the Bond Registrar shall not be required to issue or register the transfer of or exchange any Notes during the period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of such Notes to be redeemed and ending at the close of business on the day of mailing of the notice of redemption or to register the transfer of or exchange any portion of any Note selected for redemption until after the redemption date.

Section 3.04 **Note Identification Numbers and Legends.** Any Note may bear such number, or other marks of identification or designation, including "CUSIP" numbers, may be endorsed with or have incorporated in the text thereof such legends or recitals with respect to transferability, and may contain such provisions, specifications and descriptive words not inconsistent in any case with the provisions of this Resolution, as may be determined by the Board and approved by the Paying Agent and Bond Registrar. Neither the School District, the Bond Registrar nor the Paying Agent shall be deemed to make any representation as to the accuracy or correctness of any "CUSIP" numbers, either as printed on the Notes or in any notice of redemption.

Section 3.05 **Authentication.** In the event of the Notes are sold to Purchaser, none of the Notes shall be entitled to any benefit under this Resolution, nor shall any of the Notes be valid, obligatory or enforceable for any purpose until such Note shall have been registered and authenticated by the Certificate of Authentication endorsed thereon duly signed by the Bond Registrar; and the Bond Registrar is hereby authorized to register and authenticate the Notes in accordance with the provisions hereof.

Section 3.06 **Book-Entry System for Notes.** In the event of the Notes are sold to Purchaser, 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 of the Notes 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 1 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 are hereby authorized to designate a successor securities depository or to deliver certificates to the Beneficial Owners of the Notes.

#### **SECTION 4: SINKING FUND.**

Section 4.01 *Creation of Funds and Accounts.* There is hereby created a special fund for each series of the Notes (referred to herein as the "Sinking Fund"), to be held by the Paying Agent as required by the Act. 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.

Section 4.02 *The Sinking Fund.* The School District covenants to establish, and there is hereby established, a Sinking Fund for the payment of the Notes with the Paying Agent. The School District Treasurer 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 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 4.03 **Application of Proceeds.** The purchase price of the Notes and any accrued interest payable shall be paid to the Paying Agent on behalf of the School District. In addition, the School District shall make such additional deposits of cash from the funds of the School District as shall be necessary to cover all of the issuance costs of the Notes. 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 paying agent for the applicable Refunded Obligations the sums required to effect the applicable portion of the Project and shall make the deposits and disbursements set forth on the Closing Statement executed by the officers of the School District, including payment of the issuance costs on behalf of the School District upon presentation of proper invoices therefor, and shall deposit the remaining proceeds of the Notes, if any, in the Sinking Fund.

Section 4.04 **Delivery of Notes to Escrow Agent; Draw Down Refunding.** With regard to any Notes issued by the School District to refund the Refunded Obligations, which Notes would not otherwise meet the requirements of Sections 8245 and 8250 of the Act, the School District covenants to deposit the Notes with Escrow Agent prior to delivery thereof to the Purchaser in accordance with the terms of the Notes and this Resolution. The President and Vice President and Secretary (or any Acting Secretary or Assistant Secretary 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 same, including, but not limited to, an escrow agreement. The initial draws on the Notes issued by the School District to refund the Refunded Obligations shall occur prior to the second anniversary of the date of the applicable Note(s), and shall be in an amount at least equal to five percent (5%) of the Refunded Obligations.

Section 4.05 **Other Funds/Accounts.** The proper authorities of the School District are authorized and directed to create one or more other funds or accounts as necessary or desirable to comply with the terms of the Notes.

## SECTION 5: REDEMPTION

Section 5.01 **Redemption Provisions.** The Notes shall be subject to redemption as set forth in the Proposal upon payment of a redemption price of 100% of the principal amount plus accrued interest to the date fixed for redemption. Specific redemption provisions, including mandatory redemption provisions, if any, will be set forth in the Notes.

If applicable, the Paying Agent shall give notice of any such redemption by first-class mail, postage prepaid, mailed not less than thirty (30) nor more than forty-five (45) 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.

## **SECTION 6: COMPLIANCE WITH CODE; CONTINUING DISCLOSURE; MISCELLANEOUS**

Section 6.01 *Compliance with Code.* With regard to any notes issued on a tax-exempt basis, the School District hereby covenants with the holders from time to time of the Notes that it will at all times do and perform all actions and things within its power which are necessary or desirable in order to assure that interest paid on the Notes will, for purposes of federal income taxation, be and remain excludable from the gross income of the recipients thereof and that it will refrain from doing or performing any act or thing that would cause such interest not to be so excludable 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"). The School District further covenants with the holders from time to time of such Notes that it will make no investment or other use of the proceeds of such Notes, which, if such investment or use had been reasonably expected on the date of issuance of such Notes, would cause such Notes to be "arbitrage bond(s)" within the meaning of Section 148 of the Code, and the regulations applicable thereto and that this covenant shall extend throughout the term of such Notes and shall apply to all amounts which are proceeds of such Notes for purposes of said section and regulations. Neither the Treasurer nor any other official or agent of the School District shall make any investment inconsistent with the foregoing covenant. The Treasurer and all other School District officials responsible for investment shall request and follow, if given, the advice or direction of note counsel for the School District (the "Note Counsel") as to investments, which may be made in compliance with this covenant. The appropriate officers of the School District are hereby authorized to execute a tax compliance agreement (the "Tax Compliance Agreement") to carry out the foregoing covenants.

The Tax Compliance Agreement shall be substantially in the form acceptable to Note Counsel, with such changes as may be approved by the officer executing the Tax Compliance Agreement, upon the advice of Note Counsel, such approval to be conclusively evidenced by such officer's execution of the Tax Compliance Agreement. If required under the Tax Compliance Agreement, there shall be established a "bond rebate fund," which shall be held and maintained by the School District in accordance with the Tax Compliance Agreement, separate and apart from other funds of the School District. The foregoing tax covenants in this Section 6.01 may be excused or modified if, and to the extent that, the School District receives an opinion of nationally recognized bond counsel that such absence of compliance will not adversely affect the exemption from federal income taxation of interest on such Notes.

Section 6.02 *Continuing Disclosure.* The School District covenants to provide, pursuant to Rule 15c2-12(b) promulgated by the Securities and Exchange Commission, for the benefit of the holders of the Notes certain financial and operating data in accordance with the terms of a continuing disclosure agreement to be executed by the School District in connection with the issuance of the Notes, upon terms and in the form approved by the solicitor and Note Counsel to the School District.

Section 6.03 **Refunding of Refunded Obligations.** The proper officers of the School District are hereby authorized and directed to contract with each of the respective paying agents for the Refunded Obligations as the true and lawful attorney and agent of the School District to effect the redemption and payment, including payment of interest, of the Refunded Obligations on such date as may be approved by the President or Vice President of the School District with the advice of the School District Solicitor and Note Counsel. The applicable paying agent, in the name, place and stead of the School District, shall mail, with respect to the Refunded Obligations, a notice of redemption as required by the terms of the Refunded Obligations. The School District hereby agrees to provide for payment of the expenses of such mailings from proceeds of the Notes or from moneys otherwise made available by the School District and gives and grants each of the paying agents full authority to do and perform all and every act and thing whatsoever requisite and necessary to effectuate said purposes as the School District might do on its own behalf, and hereby ratifies and confirms all that said agent shall do or cause to be done by virtue thereof.

Subject only to completion of delivery of, and settlement for, the respective series of Notes, the proceeds of which will be used for the refunding of the Refunded Obligations, the School District hereby calls for redemption and payment of the Refunded Obligations on such dates as may be approved by the President or Vice President of the School District with the advice of the School District Solicitor and Note Counsel. The President and Vice President and Secretary or Assistant Secretary (or any Acting Secretary or Assistant Secretary 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 same, including, but not limited to, escrow and pledge agreements.

Section 6.04 **Qualified Tax-Exempt Obligations.** If applicable, the School District may designate all or any portion of the Notes as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3)(B) of the Code. In the event of such designation, as confirmed by the Chief Financial Officer, 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.

Section 6.05 **Mandatory Provisions of Act.** This Resolution is adopted pursuant to the Act, the Public School Code of 1949, Act No. 14 of March 10, 1949, P.L. 30, as amended, and the laws and the Constitution of the Commonwealth of Pennsylvania, and the School District hereby determines and declares that each and every matter and thing provided for herein is necessary and desirable to carry out and effect the public purposes of the School District in accordance with such laws. All of the mandatory provisions of the Act shall apply hereunder whether or not explicitly stated herein and are specifically incorporated herein by reference.

Section 6.06 **Severability.** In the event that any one or more of the provisions contained in this resolution or in the Notes issued pursuant hereto 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 Resolution or of the Notes, and this Resolution or the Notes shall be construed and enforced as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

Section 6.07 **Supplemental Resolutions.** The School District may, from time to time and at any time, adopt a supplemental resolution (a) to cure any ambiguity, formal defect or omission in this Resolution or in any supplemental resolution; or (b) to grant to and confer upon the holders from time to time of the Notes any additional rights, remedies, powers, authority or security that may be lawfully granted to or conferred upon same; or (c) to comply with any requirements of the Code after regulations and rulings interpreting the Code are promulgated.

Section 6.08 **Exclusive Rights.** Nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon, or to give any person, firm or corporation other than the School District, its agents, and the holders from time to time of the Notes any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof; and the covenants, stipulations and agreements contained in this Resolution are and shall be for the sole and exclusive benefit of the School District, its agents, and the holders of the Notes.

Section 6.09 **Effectiveness of Resolution.** his Resolution shall take effect on the earliest date permitted by the Act.

Section 6.10 **Repeal of Inconsistent Resolutions.** All resolutions or parts thereof inconsistent herewith are hereby repealed, rescinded, cancelled and annulled.


Section 6.11 **Governing Law.** The laws of the Commonwealth of Pennsylvania shall govern the construction and interpretation of this Resolution.

(signature page following)

ADOPTED by the Board of School Directors of the Wilson School District this 21<sup>st</sup> day of September, 2020.

**WILSON SCHOOL DISTRICT**

Attest: Edna Carroll  
Edna Carroll, Secretary  
Board of School Directors

By:   
Brad Hart, President  
Board of School Directors

