

EXTRACT from the minutes of a regular meeting of the Township Council of the Township of Mount Olive, in the County of Morris, New Jersey held in the Municipal Building on January 17, 2012.

PRESENT:

ABSENT:

_____ introduced and moved the adoption of the following resolution and _____ seconded the motion:

RESOLUTION DETERMINING THE FORM AND OTHER DETAILS OF NOT TO EXCEED \$4,200,000 OF GENERAL IMPROVEMENT REFUNDING BONDS OF THE TOWNSHIP OF MOUNT OLIVE, IN THE COUNTY OF MORRIS, NEW JERSEY OR SUCH OTHER AMOUNT AS DETERMINED BY THE CHIEF FINANCIAL OFFICER TO ACCOMPLISH THE REFUNDING ON THE TERMS APPROVED BY THE LOCAL FINANCE BOARD CONSISTENT WITH THE REFUNDING PROVISIONS OF THE INTERNAL REVENUE CODE AND PROVIDING FOR THE SALE AND THE DELIVERY OF SUCH BONDS TO RBC CAPITAL MARKETS

BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MOUNT OLIVE, IN THE COUNTY OF MORRIS, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. An amount not to exceed \$4,200,000 General Improvement Refunding Bonds of the Township of Mount Olive, in the County of Morris, New Jersey (the "Township") in specific amounts to be determined as provided herein and as more fully described in the bond ordinance

finally adopted by the Township pursuant to the Local Bond Law on January 17, 2012, and entitled, “Refunding Bond Ordinance of the Township of Mount Olive, in the County of Morris, New Jersey Providing for the Refunding of all or a Portion of General Improvement Bonds, Series 2003 and General Improvement Bonds, Series 2004, Appropriating \$4,200,000 Therefor and Authorizing the Issuance of \$4,200,000 General Improvement Refunding Bonds of the Township for Financing the Cost Thereof”, shall be issued as “General Improvement Refunding Bonds”.

Section 2. The Bonds are hereby authorized to be sold to RBC Capital Markets (the “Underwriter”) at a purchase price determined by the parameters set forth below and otherwise consistent with the terms included in the approval by the Local Finance Board (as defined herein):

- (a) the principal amount of the Bonds does not exceed \$4,200,000;
- (b) the Net Interest Cost of the Bonds does not exceed an interest rate that would enable the Township to complete the refunding within the parameters established by the Local Finance Board;
- (c) the Bonds may be subject to optional redemption on terms approved by the Chief Financial Officer and may be sold as serial bonds or term bonds with mandatory sinking fund redemptions; provided however that the structure or weighted average maturity for such bonds does not differ substantially from the structure approved by the Local Finance Board in the Department of Community Affairs, State of New Jersey (the “Local Finance Board”) on December 14, 2011;
- (d) the Underwriter’s discount and all professional and other fees related to the refunding do not exceed the amount referenced in the approved Local Finance Board application;
- (e) the maturity structure is substantially similar to the structure submitted to and approved by the Local Finance Board, together with any adjustments recommended by the Underwriter on the sale date designed to reduce the total costs of the borrowing to the Township;

(f) all conditions required by the Local Finance Board for the sale of the Bonds are satisfied.

Section 3. The Mayor and/or the Chief Financial Officer are hereby authorized and directed, without further authorization, to enter into and execute a purchase contract (the “Purchase Contract”) on behalf of the Township with the Underwriter in the form satisfactory to bond counsel and upon terms consistent with the above parameters. Upon execution of the Purchase Contract, the signature of the Mayor and/or the Chief Financial Officer shall be conclusively presumed to evidence any necessary approvals for the sale of the Bonds. If the Chief Financial Officer, after consultation with the Underwriter, determines that the above parameters cannot be satisfied in the present market, the Bonds shall not be sold until such time as said parameters may be amended, in whole or in part, or a sale on different terms is otherwise approved by resolution of this Township Council.

Section 4. (a) The Bonds shall be issued in the par amounts consistent with the parameters set forth in Section 2 hereof and determined by the Chief Financial Officer to be necessary to pay costs of issuance and to provide an escrow fund that, when invested, will be sufficient to provide for the timely payment of the redemption price of and interest on all or a portion of the following outstanding bonds (the “Refunded Bonds”):

(i) \$2,730,000 of the principal amount of the General Improvement Bonds, Series 2003 dated May 15, 2003, which were allocated to various general improvements (the “2003 Refunded Bonds”); and

(ii) \$1,198,000 of the principal amount of the General Improvement Bonds, Series 2004 dated May 15, 2004, which were allocated to various general improvements (the “2004 Refunded Bonds” and, together with the 2003 Refunded Bonds, the “Refunded Bonds”).

(b) The Bonds shall be dated and shall bear interest at the rates per annum as the Chief Financial Officer shall determine.

(c) The Bonds shall be numbered and have such prefix or prefixes as determined necessary by the Chief Financial Officer and be sold and issued with such serial maturities or with such term bond maturities payable from mandatory sinking fund payments made by the Township as determined in the Purchase Contract.

(d) The Bonds shall mature in each of the years 2013 to 2019, inclusive, or such other dates deemed consistent with the approved Local Finance Board resolution and in the principal amounts as may be determined by the Chief Financial Officer and shall bear interest on the dates as may be determined by the Chief Financial Officer.

(e) The Bonds may be subject to redemption prior to their stated maturities on terms approved by the Chief Financial Officer.

(f) The Bonds will be issued in fully registered form. One certificate shall be issued for the aggregate principal amount of each series of Bonds maturing in each year. Both principal of and interest on the Bonds will be payable in lawful money of the United States of America. Each certificate will be registered in the name of CEDE & Co., as nominee of The Securities Depository, New York, New York, which will act as securities depository (the "Securities Depository"). The certificates will be on deposit with the Securities Depository. The Securities Depository will be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants will be responsible for maintaining records recording the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in the principal amount of \$5,000 or any integral multiple thereof through book-entries made on the books and the records of the Securities Depository and its

participants except that an amount maturing in any one year in excess of the largest principal amount thereof equaling a multiple of \$5,000 will be in the denominations of \$1,000 or any integral multiple thereof.

(g) The principal of and the interest on the Bonds will be paid to the Securities Depository by the Township on the respective maturity dates and due dates and will be credited on the respective maturity dates and due dates to the participants of the Securities Depository as listed on the records of the Securities Depository as of each as of the 15th next preceding each maturity date (the "Record Dates" for the Bonds). The Bonds shall be executed by the manual or facsimile signatures of the Mayor and the Chief Financial Officer under the official seal of the Township (or facsimile thereof) affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Township Clerk.

Section 5. The Bonds shall be substantially in the following forms with such additions, deletions and omissions as may be necessary for the Township to market the Bonds:

REGISTERED
No. GIR- _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF NEW JERSEY
COUNTY OF MORRIS

TOWNSHIP OF MOUNT OLIVE

GENERAL IMPROVEMENT REFUNDING BOND

DATED DATE:	MATURITY DATE:	RATE OF INTEREST PER ANNUM:	CUSIP:
___/___/12	___/___/	_____ %	_____

TOWNSHIP OF MOUNT OLIVE, a municipal corporation of the State of New Jersey, situate in the County of Morris (the "Township"), hereby acknowledges itself indebted and for value received promises to pay to CEDE & Co., as nominee of The Depository Trust Company which will act as Security Depository on the Maturity Date specified above, upon presentation and surrender of this bond, the principal sum of _____ DOLLARS (\$_____), and to pay interest on such sum from the Dated Date stated above until it matures at the Rate of Interest Per Annum specified above semiannually on the 15th day of February and August in each year until maturity, commencing August 15, 2012. Principal of and interest on this bond will be paid to the Security Depository by the Township and will be credited to the participants of the Depository Trust Company as listed on the records of the Depository Trust Company as of the February 1 and August 1 next preceding the date of such payments (the "Record Dates"). The principal of and interest on this bond are payable in lawful money of the United States of America.

As long as The Depository Trust Company is the depository for the Bonds as provided herein, the procedures of the Depository Trust Company will determine the method of selection for redemption within a maturity. Otherwise, it will be by lot or by a similar method.

This bond is not transferable as to principal or interest. The participants are responsible for maintaining the records regarding the beneficial ownership interest in the bonds on behalf of the individual purchasers except to an authorized nominee of The Depository Trust Company. The Depository Trust Company shall be responsible for maintaining the book-entry system for recording the interests of its participants or the transfers of the interests among its participants.

[The Bonds are not subject to redemption prior to their stated maturity.]

The Bonds maturing prior to _____, 20__ are not subject to optional redemption prior to maturity. The Bonds maturing on or after _____, 20__ are subject to redemption on or after _____, 20__ at _____% of the principal amount thereof (the "Redemption Price"), plus in each case accrued interest to the date fixed for redemption.

Notice of Redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of the bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the owners of such bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Township or a duly appointed Bond Registrar. Any failure of the depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any Notice of Redemption shall not affect the validity of the redemption proceedings. If the Township determines to redeem a portion of the bonds prior to maturity, the bonds to be redeemed shall be selected by the Township; the bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If Notice of Redemption has been given as provided herein, the bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the Redemption Price, together with accrued interest to the date fixed for redemption. Interest shall cease to accrue on the bonds after the date fixed for redemption and no further interest shall accrue beyond the redemption date. Payment shall be made upon surrender of the bonds redeemed.]

This bond is one of an authorized issue of bonds and is issued pursuant to the Local Bond Law of the State of New Jersey, a bond ordinance of the Township, finally adopted January 17, 2012, and entitled, "Refunding Bond Ordinance of the Township of Mount Olive, in the County of Morris, New Jersey Providing for the Refunding of all or a Portion of General Improvement Bonds, Series 2003 and General Improvement Bonds, Series 2004, Appropriating \$4,200,000 Therefor and Authorizing the Issuance of \$4,200,000 General Improvement Refunding Bonds of the Township for Financing the Cost Thereof" and a resolution of the Township adopted January 17, 2012.

The full faith and credit of the Township are hereby irrevocably pledged for the punctual payment of the principal of and the interest on this bond according to its terms.

It is hereby certified and recited that all conditions, acts and things required by the constitution or the statutes of the State of New Jersey to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been performed and that the issue of bonds of which this is one, together with all other indebtedness of the Township, is within every debt and other limit prescribed by such constitution or statutes.

IN WITNESS WHEREOF, the Township of Mount Olive has caused this bond to be executed in its name by the manual or facsimile signatures of its Mayor and its Chief Financial Officer, its corporate seal to be hereunto imprinted or affixed, this bond and the seal to be attested by the manual or facsimile signature of its Township Clerk and this bond to be dated the Dated Date as specified above.

TOWNSHIP OF MOUNT OLIVE

By _____
Mayor

ATTEST:

By: _____
Clerk

By: _____
Chief Financial Officer

Section 6. The law firm of McManimon & Scotland, L.L.C. is authorized to arrange for the printing of the Bonds. The proper officials of the Township are hereby authorized and directed to execute the Bonds and to deliver them to the purchaser upon receipt of payment therefor.

Section 7. The Bonds shall have printed thereon a copy of the written opinion with respect to the Bonds that is to be rendered by the law firm of McManimon & Scotland, L.L.C., complete except for omission of its date. The Clerk is hereby authorized and directed to certify the truth and the correctness of the copy of such opinion by executing on each of the Bonds by facsimile signature a certificate in form satisfactory to that law firm and to file a signed duplicate of such written opinion in the Clerk's office. Alternatively, each Bond may be accompanied by the signed legal opinion or copy thereof.

Section 8. The Bonds are being issued to refund the Refunded Bonds. The Chief Financial Officer shall take all steps necessary to call the Refunded Bonds on the first available call date at the applicable redemption price, deposit the proceeds of the Bonds with a bank for the purpose of defeasing the Refunded Bonds, invest the proceeds of the Bonds for this purpose and assist with the redemption of the Refunded Bonds. The Chief Financial Officer is hereby authorized to enter into an agreement with a bank (the "Escrow Deposit Agreement") to effectuate the purpose of this Section 8.

Section 9. The Township hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986 (the "Code") in order to preserve the exemption from taxation of interest on the Bonds, including the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Bonds, and that it will refrain from taking any action that would adversely affect the tax exemption of the Bonds under the Code.

Section 10. The Township hereby approves the preparation and the distribution of the Preliminary Official Statement on behalf of the Township in the form approved or to be approved by

the Chief Financial Officer. Such Official Statement may be distributed in preliminary form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission on behalf of the Township by the Mayor or the Chief Financial Officer. The Preliminary Official Statement shall be prepared in final form in connection with the issuance of the Bonds and the Mayor and/or the Chief Financial Officer of the Township are authorized to execute any certificates necessary in connection with the distribution of the Official Statement. Final Official Statements shall be delivered to the Underwriter of the Bonds within the earlier of seven business days following the sale of the Bonds or to accompany the Underwriter's confirmations that request payment for the Bonds.

Section 11. The Chief Financial Officer is hereby authorized to make representations and warranties, to enter into agreements and to make all arrangements with the Securities Depository, New York, New York, as may be necessary in order to provide that the Bonds will be eligible for deposit with the Securities Depository and to satisfy any obligation undertaken in connection therewith.

Section 12. In the event that the Securities Depository may determine to discontinue providing its service with respect to the Bonds or is removed by the Township and if no successor Securities Depository is appointed, the Bonds which were previously issued in book-entry form shall be converted to Registered Bonds (the "Registered Bonds") in denominations of \$5,000, or any integral multiple thereof, except that an amount maturing in any one year in excess of the largest principal amount thereof equaling a multiple of \$5,000 will be in denominations of \$1,000, or any integral multiple thereof. The beneficial owner under the book-entry system, upon registration of the Bonds held in the beneficial owner's name, will become the registered owner of such Registered Bonds. The Township shall be obligated to provide for the execution and delivery of the Registered Bonds in certificate form.

Section 13. Solely for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the “Rule”), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the following requirements in accordance with paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the Township shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof:

(a) On or prior to 270 days from the end of each fiscal year, beginning with the fiscal year ending December 31, 2011, to the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access Dataport (the “MSRB”), or any other designated nationally recognized municipal securities information repository (“State Repository”), if any, annual financial information with respect to the Township consisting of the audited financial statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the Township and certain financial information and operating data consisting of (i) Township and overlapping indebtedness including a schedule of outstanding debt issued by the Township, (ii) the Township’s most current adopted budget, (iii) property valuation information, and (iv) tax rate, levy and collection data. The audited financial information will be prepared in accordance with modified cash accounting as mandated by State of New Jersey statutory principles in effect from time to time or with generally accepted accounting principles as modified by governmental accounting standards as may be required by New Jersey law and shall be filed electronically and accompanied by identifying information with the National Repository;

(b) in a timely manner not in excess of ten business days after the occurrence of the event, to the MSRB and to the State Repository, if any, notice of any of the following events with respect to the Bonds (herein "Material Events"):

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability. Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modifications to rights of security holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the securities, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of the event identified in subparagraph (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(c) in a timely manner to the MSRB and to the State Repository, if any, notice of failure of the Township to provide required annual financial information on or before the date specified in this resolution.

(d) If all or any part of the Rule ceases to be in effect for any reason, then the information required to be provided under this resolution, insofar as the provisions of the Rule no longer in effect required the provision of such information, shall no longer be required to be provided.

(e) The Chief Financial Officer shall determine, in consultation with Bond Counsel, the application of the Rule or the exemption from the Rule for each issue of obligations of the Township prior to their offering. Such officer is hereby authorized to enter into additional written contracts or undertakings to implement the Rule and is further authorized to amend such contracts or undertakings or the undertakings set forth in this resolution, provided such amendment is, in the opinion of nationally recognized bond counsel, in compliance with the Rule.

(f) In the event that the Township fails to comply with the Rule requirements or the written contracts or undertakings specified in this certificate, the Township shall not be liable for monetary damages. The sole remedy is hereby specifically limited to specific performance of the Rule requirements or the written contracts or undertakings therefor.

Section 14. The Chief Financial Officer shall determine, in consultation with bond counsel, the application of the Rule or the exemption from the Rule for each issue of obligations of the Township prior to their offering. Such officer is hereby authorized to enter into additional written contracts or undertakings to implement the Rule and is further authorized to amend such contracts or undertakings or the undertakings set forth in this resolution, provided such amendment is, in the opinion of nationally recognized bond counsel, in compliance with the Rule.

Section 15. In the event that the Township fails to comply with the Rule requirements or the written contracts or undertakings specified in this resolution, the Township shall not be liable for any monetary damages, remedy of the beneficial owners of the Bonds being hereby specifically limited to specific performance of the Rule requirements or the written contracts or undertakings therefor.

Section 16. The undertaking may be amended by the Township from time to time, without the consent of the Bondholders or the beneficial owners of the Bonds, in order to make modifications required in connection with a change in legal requirements or change in law, which in the opinion of nationally recognized bond counsel complies with the Rule.

Section 17. There can be no assurance that there will be a secondary market for the sale or purchase of the Bonds. Such factors as prevailing market conditions, financial condition or market position of firms who may make the secondary market and the financial condition of the Township may affect the future liquidity of the Bonds.

Section 18. The Mayor, the Chief Financial Officer, the Clerk and other appropriate representatives of the Township are hereby authorized to take all steps necessary to provide for the issuance of the Bonds and the refunding of the Refunded Bonds, including preparing and executing such agreements and documents on behalf of the Township, satisfying in full the requirements of notice of redemption of the Refunded Bonds and taking all steps necessary or desirable to implement this resolution, such agreements and documents as may be necessary and appropriate and the transactions contemplated thereby.

Section 19. The Chief Financial Officer is hereby authorized and directed to pay all costs of issuance in connection with the sale of the Bonds pursuant to a certificate of the Chief Financial

Officer to be executed upon delivery of the Bonds in an aggregate amount not to exceed the aggregate amount authorized.

Section 20. This resolution shall take effect immediately.

The foregoing resolution was adopted by the following vote:

AYES:

NAYS:

CERTIFICATE

I, Lisa Lashway, Clerk, of the Township of Mount Olive, in the County of Morris, State of New Jersey, HEREBY CERTIFY that the foregoing annexed extract from the minutes of a meeting of the governing body of the Township duly called and held on January 17, 2012 has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the governing body and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Township this 17th day of January, 2012.

Lisa Lashway, Clerk

(SEAL)