

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 at the Municipal Building, New Jersey on September 16, 2014.

PRESENT:

ABSENT:

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

RESOLUTION DETERMINING THE FORM AND OTHER DETAILS OF \$7,188,000 GENERAL OBLIGATION BONDS, CONSISTING OF \$6,325,000 GENERAL IMPROVEMENT BONDS AND \$863,000 WATER UTILITY BONDS OF THE TOWNSHIP OF MOUNT OLIVE, IN THE COUNTY OF MORRIS, NEW JERSEY AND PROVIDING FOR THEIR SALE.

BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MOUNT OLIVE, IN THE COUNTY OF MORRIS, NEW JERSEY AS FOLLOWS:

Section 1. The \$6,325,000 General Improvement Bonds of the Township of Mount Olive, in the County of Morris, New Jersey (the "Township") referred to and described in the resolution

adopted by the Township Council pursuant to the Local Bond Law of the State of New Jersey on September 16, 2014, and entitled, “Resolution Providing for the Combination of Certain Issues of General Improvement Bonds of the Township of Mount Olive, in the County of Morris, New Jersey into a Single Issue of Bonds Aggregating \$6,325,000 in Principal Amount,” shall be issued as “General Improvement Bonds” (the “General Improvement Bonds”). The General Improvement Bonds shall mature in the principal amounts on October 15 as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2015	\$450,000	2019	\$900,000
2016	\$500,000	2020	\$900,000
2017	\$875,000	2021	\$900,000
2018	\$900,000	2022	\$900,000

The General Improvement Bonds shall not be subject to redemption prior to maturity. The General Improvement Bonds shall be eight in number, with one certificate being issued for each year of maturity, and shall be numbered GI-1 to GI-8 inclusive.

Section 2. The \$863,000 Water Utility Bonds of the Township referred to and described in the resolution adopted by the Township Council pursuant to the Local Bond Law of the State of New Jersey on September 16, 2014, and entitled, “Resolution Providing for the Combination of Certain Issues of Water Utility Bonds of the Township of Mount Olive, in the County of Morris, New Jersey into a Single Issue of Bonds Aggregating \$863,000 in Principal Amount,” shall be issued as “Water Utility Bonds” (the “Water Utility Bonds” and, together with the General Improvement Bonds, the “Bonds”). The Water Utility Bonds shall mature in the principal amounts on October 15 as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2015	\$65,000	2019	\$120,000
2016	\$65,000	2020	\$125,000
2017	\$120,000	2021	\$125,000
2018	\$120,000	2022	\$123,000

The Water Utility Bonds shall not be subject to redemption prior to maturity. The Water Utility Bonds shall be eight in number, with one certificate being issued for each year of maturity, and shall be numbered WU-101 to WU-108, inclusive.

Section 3. The Bonds will be issued in fully registered form. One certificate shall be issued for the aggregate principal amount 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 Depository Trust Company, Jersey City, New Jersey 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 except, where necessary, also in the amount of \$1,000, through book-entries made on the books and the records of the Securities Depository and its participants

The Bonds will be dated the date of delivery and will bear interest payable semiannually on the fifteenth day of April and October in each year until maturity, commencing on April 15, 2015, at a rate or rates per annum, expressed in a multiple of 1/8 or 1/20 of 1% and proposed by

the successful bidder in accordance with the Notice of Sale authorized herein. 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 next preceding April 1 and October 1 (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 (or facsimile thereof) affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Township Clerk. The following matters are hereby determined with respect to the Bonds:

Section 4. The Bonds shall be substantially in the following form with such additions, deletions and omissions as may be necessary for the Township to market the Bonds or to comply with the requirements of the Securities Depository:

REGISTERED
NUMBER A. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF NEW JERSEY
COUNTY OF MORRIS

TOWNSHIP OF MOUNT OLIVE

B. _____

DATED DATE:	MATURITY DATE:	RATE OF INTEREST PER ANNUM:	CUSIP:
10/23/14	10/15/___	_____ %	_____

TOWNSHIP OF MOUNT OLIVE, in the County of Morris, New Jersey (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 Securities Depository, on the Maturity Date specified above, the principal sum of _____ DOLLARS (\$ _____), and to pay interest on such sum from the Dated Date of this bond until it matures at the Rate of Interest Per Annum specified above semiannually on the fifteenth days of April and October in each year until maturity, commencing on April 15, 2015. Interest on this bond will be paid to the Securities 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 April 1 and October 1 next preceding the date of such payments (the "Record Dates" for such payments). Principal of this bond, upon presentation and surrender to the Township will be paid to the Securities Depository by the Township and will be credited to the participants of The Depository Trust Company.

This bond is not transferable as to principal or interest 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 participants are responsible for maintaining records regarding the beneficial ownership interests in the bonds on behalf of individual purchasers.

The Bonds are not subject to redemption prior to maturity.

C. _____

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 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 5. In each of the \$6,325,000 General Improvement Bonds the following language should be inserted in the places indicated by the corresponding letter in form of the General Improvement Bonds.

A. GI-___

B. GENERAL IMPROVEMENT BOND

C. This bond is one of an authorized issue of bonds issued pursuant to the Local Bond Law of the State of New Jersey, a resolution of the Township of Mount Olive adopted September 16, 2014 and entitled, "Resolution Providing for the Combination of Certain Issues of General Improvement Bonds of the Township of Mount Olive, in the County of Morris, New Jersey into a Single Issue of Bonds Aggregating \$6,325,000 in Principal Amount," and the various bond ordinances referred to therein, each in all respects duly approved and published as required by law (the "Authorization Proceedings").

Section 6. In each of the \$863,000 Water Utility Bonds the following language should be inserted in the places indicated by the corresponding letter in the form of the Water Utility Bonds.

A. WU-___

B. WATER UTILITY BOND

C. This bond is one of an authorized issue of bonds issued pursuant to the Local Bond Law of the State of New Jersey, a resolution of the Township of Mount Olive adopted September 16, 2014 and entitled, "Resolution Providing for the Combination of Certain Issues of Water Utility Bonds of the Township of Mount Olive, in the County of Morris, New Jersey into a Single Issue of Bonds Aggregating \$863,000 in Principal Amount," and the various bond ordinances referred to therein, each in all respects duly approved and published as required by law (the "Authorization Proceedings").

Section 7. (a) The Bonds shall be sold on October 7, 2014 or such other date as determined by the Chief Financial Officer, by electronic auction in accordance with the Full Notice of Sale authorized in Exhibit A attached hereto. The Township Clerk is hereby directed to arrange for the publication of the Short Notice of Sale authorized in Exhibit B attached hereto and McManimon, Scotland & Baumann, LLC, is hereby directed to arrange for the publication

of the Summary Notice of Sale authorized in Exhibit C in the form provided herein, such publications to be not less than seven days prior to the date of sale. The Short Notice of Sale shall be published in the Daily Record (or another local newspaper) and the Summary Notice of Sale shall be published in The Bond Buyer, a financial newspaper published and circulating in the City of New York, New York. Pursuant to N.J.S.A. 40A:2-34, the Township hereby designates the Chief Financial Officer to sell and to award the Bonds in accordance with the Notice of Sale authorized herein, and such financial officer shall report in writing the results of the sale to this Township Council as required by law.

(b) Pursuant to N.J.S.A. 40A:2-34, the Township hereby designates the Chief Financial Officer to sell and to award the Bonds in accordance with the Notice of Sale authorized herein, and such financial officer shall report in writing the results of the sale to this Council as required by law. The Chief Financial Officer is hereby authorized and directed, consistent with the terms of the Notice of Sale, to retain the good faith deposit of the successful bidder and to immediately return such good faith deposits, whether by wire or check to the unsuccessful bidders.

Section 8. The Full Notice of Sale shall be substantially in the form attached hereto as Exhibit A with additions, deletions and omissions as may be necessary for the Township to market the Bonds in accordance with the requirements of The Depository Trust Company and MuniAuction. The Short Notice of Sale shall be substantially in the form attached hereto as Exhibit B with such additions, deletions and omissions as may be necessary for the Township to market the Bonds in accordance with the requirements of The Depository Trust Company and MuniAuction. The Summary Notice of Sale shall be substantially in the form attached hereto as Exhibit C with such additions, deletions and omissions as may be necessary for the Township to

market the Bonds in accordance with the requirements of The Depository Trust Company and MuniAuction.

Section 9. 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 & Baumann, LLC, complete except for omission of its date.

Section 10. The law firm of McManimon, Scotland & Baumann, LLC is authorized to arrange for the printing of the Bonds and is authorized to arrange for the printing of the Official Statement to be prepared by McManimon, Scotland & Baumann, LLC and Township officials. The Mayor and the Chief Financial Officer are authorized to execute any certificates necessary in connection with the distribution of the Official Statement. 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 Chief Financial Officer or by the Mayor. Final Official Statements shall be delivered to the purchaser of the Bonds within the earlier of seven business days following the sale of the Bonds or to accompany the purchaser's confirmations that request payment for the Bonds.

Section 11. The Township hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended (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, if necessary.

Section 12. The Chief Financial Officer is hereby authorized to make representations and warranties, to enter into agreements and to make all arrangements with The Depository Trust Company, New York, New York, as may be necessary in order to provide that the Bonds will be

eligible for deposit with The Depository Trust Company and to satisfy any obligation undertaken in connection therewith.

Section 13. In the event that The Depository Trust Company 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 in denominations of \$5,000, or any integral multiple thereof except, if necessary, also in the amount of \$1,000. 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 the Registered Bonds. The Township shall be obligated to provide for the execution and delivery of the Registered Bonds in certified form.

Section 14. 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 in the year in which the Bonds are issued to the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access Dataport (the "MSRB") 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 MSRB;

(b) in a timely manner not in excess of ten business days after the occurrence of the event, to the MSRB, 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 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 provision 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 or the written contracts or undertakings specified in this resolution, the Township shall not be liable for monetary damages, remedy being hereby specifically limited to specific performance of the Rule requirements or the written contracts or undertakings therefor.

Section 15. This resolution shall take effect immediately.

The foregoing resolution was adopted by the following vote:

AYES:

NAYES:

CERTIFICATE

I, Lisa Lashway, Clerk of the Township of Mount Olive, in the County of Morris, State of New Jersey (the "Township"), 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 September 16, 2014 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 ____ day of September, 2014.

Lisa Lashway, Clerk

[SEAL]

