

**SOUTHERN LEHIGH SCHOOL DISTRICT,
Lehigh County, Pennsylvania**

RESOLUTION

A RESOLUTION

OF THE BOARD OF SCHOOL DIRECTORS OF SOUTHERN LEHIGH SCHOOL DISTRICT INCURRING NONELECTORAL DEBT IN THE AGGREGATE PRINCIPAL AMOUNT OF TEN MILLION DOLLARS (\$10,000,000), TO BE EVIDENCED BY ITS GENERAL OBLIGATION BONDS, SERIES OF 2016, TO PROVIDE FUNDS FOR AND TOWARD THE CURRENT REFUNDING OF A PORTION OF THE OUTSTANDING GENERAL OBLIGATION BONDS, SERIES OF 2010, OF THIS SCHOOL DISTRICT AND PAYING THE COSTS AND EXPENSES RELATED TO SAID REFUNDING AND THE ISSUANCE OF SUCH BONDS; ACCEPTING A CERTAIN PROPOSAL TO PURCHASE THE BONDS, AT PRIVATE SALE UPON INVITATION; SETTING FORTH THE TERMS AND SUBSTANTIAL FORM OF THE BONDS; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER TO SECURE THE BONDS; APPOINTING A PAYING AGENT AND A SINKING FUND DEPOSITORY; SETTING FORTH CERTAIN COVENANTS AND REPRESENTATIONS RELATING TO THE FEDERAL INCOME TAX STATUS OF THE INTEREST TO BE PAID ON SUCH BONDS; PROVIDING FOR THE RETIREMENT OF THE REFUNDED BONDS, UPON STATED MATURITY OR OPTIONAL REDEMPTION PRIOR TO STATED MATURITY, AS APPLICABLE AND APPROPRIATE; AUTHORIZING APPROPRIATE OFFICERS TO TAKE CERTAIN ACTIONS AND TO EXECUTE CERTAIN DOCUMENTS; AND REPEALING ALL RESOLUTIONS OR PARTS OF RESOLUTIONS INsofar AS THE SAME SHALL BE INCONSISTENT HEREWITH.

WHEREAS, This School District (the "School District") is a school district of the Commonwealth of Pennsylvania (the "Commonwealth") and is governed by its Board of School Directors (the "Board of School Directors"); and

WHEREAS, The Board of School Directors, by resolution duly adopted, in accordance with law, on August 23, 2010 (the "Series of 2010 Bonds Enabling Resolution"), authorized and directed issuance of a series of bonds, in the original aggregate principal amount of \$10,695,000 and designated as the General Obligation Bonds, Series of 2010 (the "Series of 2010 Bonds"), to provide funds for and toward proper legal purposes which are set forth, in detail, in the Series of 2010 Bonds Enabling Resolution; and

WHEREAS, The Department of Community and Economic Development (the “Department”) of the Commonwealth approved the proceedings of this School District related to the increase of bonded indebtedness by issuance of the Series of 2010 Bonds; and

WHEREAS, The Board of School Directors of this Local Government now has determined that debt service savings may be obtained by refunding a portion of the Series of 2010 Bonds which remain outstanding; and

WHEREAS, The Board of School Directors of this School District has determined to currently refund a portion of the outstanding Series of 2010 Bonds (the “Refunded Bonds”), in accordance with the refunding report for this School District (the “Refunding Report”) prepared by the Financial Advisor (hereinafter defined); and

WHEREAS, such undertaking is herein referred to as the “Refunding Project”; and

WHEREAS, The Board of School Directors of this School District contemplates the authorization, sale, issuance and delivery of a series of bonds, in the aggregate principal amount of Ten Million Dollars (\$10,000,000), to be known as the “General Obligation Bonds, Series of 2016” (the “Bonds”), with the proceeds to be applied for and toward the Refunding Project and the payment of related costs and expenses, including the costs and expenses of issuance of the Bonds (all of the foregoing, collectively, being referred to herein as the “Project”), all in accordance with applicable and appropriate provisions of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the “Act”), of the Commonwealth; and

WHEREAS, The Board of School Directors of this School District has considered the possible manners of sale provided for in the Act with respect to the sale of the Bonds, such manners of sale being at public sale or private sale by negotiation or upon invitation; and

WHEREAS, The Board of School Directors of this School District, in contemplation of authorization, sale, issuance and delivery of the Bonds, with the proceeds to be used for the aforesaid purposes, has determined that the Bonds: (a) shall be offered at private sale upon invitation; and (b) shall be offered for sale at a price of not less than 98.8% of principal amount, together with accrued interest, if any, from the date thereof to the date of delivery thereof; and

WHEREAS, The Board of School Directors of this School District has appointed Concord Public Financial Advisors, Inc. (the “Financial Advisor”), which has an office in Lancaster, Pennsylvania, to act as its financial advisor in connection with the Project and has authorized such financial advisor to seek bids for the purchase of the Bonds; and

WHEREAS, Bids or proposals for the purchase of the Bonds were received in response to an Invitation to Bid issued on behalf of this School District by the Financial Advisor, and such bids or proposals have been duly opened and read; and

WHEREAS, A bid, dated August 8, 2016 (the “Proposal”), to purchase and underwrite the Bonds was received this date in response to an Invitation to Bid prepared by the Financial Advisor, electronically on an internet platform, from _____ (the “Purchaser”); and

WHEREAS, The Board of School Directors of this School District duly has opened, read and considered the Proposal; and

WHEREAS, The Board of School Directors of this School District desires to accept the Proposal, to award the sale of the Bonds, to authorize issuance of nonelectoral debt, and to take appropriate action and to authorize proper things, all in connection with the Project and all in accordance with and pursuant to provisions of the Act; and

WHEREAS, The Board of School Directors of this School District has determined to appoint U.S. Bank National Association (the "Paying Agent"), as paying agent and sinking fund depository with respect to the Bonds.

NOW, THEREFORE, BE IT RESOLVED, by the Board of School Directors of this School District, as follows:

Section 1. The Board of School Directors of this School District does authorize and direct the issuance of the Bonds pursuant to this Resolution, in accordance with the Act, for purposes of the Project.

Section 2. The Board of School Directors of this School District expresses its finding that it is in the best financial interests of this School District to sell the Bonds at private sale upon invitation and determines that the debt to be incurred pursuant to this Resolution shall be nonelectoral debt.

Section 3. A brief description of the Refunding Project is set forth in the preamble to this Resolution. The Refunding Project is authorized and permitted under and pursuant to 53 Pa.C.S. §8241(b)(1) (relating to reduction of debt service over the life of the series).

The first stated maturity date of the Bonds shall be not more than two years from the date of issue thereof, as required by 53 Pa.C.S. §8142.

The final stated maturity date of the Bonds shall be in a fiscal year not later than fiscal year in which the final stated maturity date of the Refunded Bonds occurs, *i.e.*, the fiscal year ending June 30, 2024.

The remaining useful life of the capital projects financed or refinanced by the Refunded Bonds is not less than fourteen (14) years.

Section 4. The Board of School Directors of this School District shall and does accept the Proposal of the Purchaser for purchase of the Bonds; and the Bonds shall be and are awarded to the Purchaser, in accordance with terms and conditions of the Proposal, at a price of \$_____ (____% of principal amount), plus net original issue premium of \$_____, plus accrued interest, if any, from the date thereof to the date of delivery thereof, the Purchaser having submitted the Proposal in accordance with provisions of the Act.

The President or Vice President of the Board of School Directors of this School District is hereby authorized and directed to evidence this School District's acceptance of the Proposal by executing one or more counterparts of the Proposal, in the form submitted at this meeting.

The bid security, if any, accompanying the Proposal shall be held and shall be applied as provided by the Act; provided, however, that no allowance for interest shall be made by this School District with respect to such bid security, except as provided by the Act.

Section 5. The Bonds, when issued, will be general obligation bonds of this School District.

Section 6. The Bonds shall be issuable as fully registered bonds, without coupons, in denominations of \$5,000 principal amount or any integral multiple thereof, and shall be dated as of the date of original issuance and delivery thereof to the Purchaser (the “Date of Delivery of the Bonds”).

Each of the Bonds shall bear interest from the interest payment date next preceding the date of registration and authentication of such bond, unless: (a) such bond is registered and authenticated as of an interest payment date, in which event such bond shall bear interest from said interest payment date; or (b) such bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event such bond shall bear interest from such interest payment date; or (c) such bond is registered and authenticated on or prior to the Record Date (hereinafter defined) next preceding March 1, 2017, in which event such bond shall bear interest from the Date of Delivery of the Bonds; or (d) as shown by the records of the Paying Agent, interest on such bond shall be in default, in which event such bond shall bear interest from the date to which interest was last paid on such bond. Interest on each of the Bonds shall be payable initially on March 1, 2017, and thereafter semiannually on March 1 and September 1 of each year thereafter, until the principal sum thereof is paid. Except as to distinguishing numbers, denominations, interest rates and maturity dates, the Bonds and the Paying Agent’s certificates of authentication shall be substantially in the forms and shall be of the tenor and purport hereinafter set forth, with insertions and variations (including CUSIP numbers) approved by the Paying Agent, as may be appropriate for different denominations and maturity dates.

Principal, redemption premium, if any, and interest with respect to the Bonds shall be payable in lawful money of the United States of America.

The principal of the Bonds and any redemption premium payable upon a redemption of Bonds shall be payable to the registered owners thereof or their transferees, upon presentation and surrender of the Bonds at the place or places set forth in the Bonds.

Payment of interest on the Bonds shall be made by check mailed to the registered owners thereof whose names and addresses appear at the close of business on the fifteenth (15th) day next preceding each interest payment date (the “Record Date”) on the registration books maintained by the Paying Agent on behalf of this School District, irrespective of any transfer or exchange of any Bonds subsequent to the Record Date and prior to such interest payment date, unless this School District shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the persons in whose names the Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent on behalf of this School District to the registered owners of the Bonds not less than fifteen (15) days preceding such special record date.

Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing.

If the date for payment of the principal of or interest on any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of such principal or interest shall be the next succeeding day that is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment.

Section 7. This School District and the Paying Agent may deem and treat the persons in whose names the Bonds shall be registered as the absolute owners thereof for all purposes, whether such Bonds shall be overdue or not, and payment of the principal of, redemption premium, if any, and interest on the Bonds shall be made only to or upon the order of the registered owners thereof or their legal representatives, but registration of a transfer of ownership may be made as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon Bonds, to the extent of the sum or sums so paid, and neither this School District nor the Paying Agent shall be affected by any notice to the contrary.

Section 8. Registration of the transfer of ownership of Bonds shall be made upon surrender of any of the Bonds to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner thereof or such registered owner's attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of any of the Bonds in the registration books and shall authenticate and deliver, at the earliest practicable time, in the name of the transferee or transferees, a new fully registered bond or bonds of authorized denominations of the same series, maturity and interest rate for the aggregate amount that the registered owner is entitled to receive.

Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations, of the same series, maturity and interest rate, upon surrender of the Bonds to be exchanged to the Paying Agent with appropriate written instructions.

Section 9. This School District and the Paying Agent shall not be required to register the transfer of, or exchange, any of the Bonds then considered for redemption during the period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of such Bonds to be redeemed and ending at the close of business on the day of mailing of the notice of redemption, as hereinafter provided, or to register the transfer of, or exchange, any portion of any of the Bonds selected for redemption in whole or in part until after the redemption date.

Section 10. This School District shall cause to be kept, and the Paying Agent shall keep, books for the registration, exchange and transfer of Bonds in the manner provided herein and therein so long as Bonds shall remain outstanding. Such registrations, exchanges and transfers shall be made without charge to bondholders, except for actual costs, including postage, insurance and any taxes or other governmental charges required to be paid with respect to the same.

Section 11. The Bonds shall be numbered consecutively, as issued, without regard to denomination or maturity, and shall bear interest at the rates per annum and shall mature on the dates and in the amounts as set forth in Exhibit A, which is attached hereto and made part hereof.

Section 12. The Bonds are not subject to optional redemption prior to maturity.

Section 13. This School District appoints U.S. Bank National Association (the “Paying Agent”), as the paying agent with respect to the Bonds and directs that the principal of, redemption premium, if any, and interest on the Bonds shall be payable, when due, at the principal corporate trust office of the Paying Agent located in Philadelphia, Pennsylvania, or at any additional payment office the Paying Agent may designate.

Any corporation or association into which the Paying Agent, or any appointed successor to it, may be merged or converted or with which it, or any appointed successor to it, may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Paying Agent shall be a party, or any corporation or association to which the Paying Agent, or any appointed successor to it, sells or otherwise transfers all or substantially all of its corporate trust business, including its functions under this Resolution, shall be the successor paying agent hereunder, without the execution or filing of any paper or any further act on the part of the School District, and thereafter references herein to the “Paying Agent” shall refer to such resulting corporation or association, or to such transferee, as the case may be.

If the Paying Agent at any time shall resign or shall be removed by this School District, the Board of School Directors shall appoint a successor paying agent that is duly qualified in accordance with the Act to serve as paying agent for the Bonds and sinking fund depository with respect to the Sinking Fund created herein, and the principal of, redemption premium, if any, and interest on the Bonds shall be payable, when due, at a designated office of the successor paying agent located in the Commonwealth and at such additional payment offices as the successor paying agent shall designate. Upon acceptance of such appointment and the transfer by the Paying Agent to the successor paying agent of the appropriate documents, records, and funds, references herein to the “Paying Agent” shall thereafter refer to such successor paying agent.

Section 14. The form of the Bonds, including the form of Assignment and the form of the Paying Agent’s Certificates, shall be substantially as set forth in Exhibit B, which is attached hereto and made part hereof, with appropriate insertions, omissions and variations.

Section 15. The Bonds shall be executed in the name of and on behalf of this School District by the manual or facsimile signature of the President or Vice President of the Board of School Directors of this School District, and the official seal or a facsimile of the official seal of this School District shall be affixed thereto or imprinted thereon and manual or the facsimile signature of the Secretary or Assistant Secretary of the Board of School Directors of this School District shall be affixed thereto in attestation thereof; and said officers are authorized to execute and to attest the Bonds.

Section 16. No bond constituting one of the Bonds shall be entitled to any benefit under this Resolution nor shall it be valid, obligatory or enforceable for any purpose until such bond shall have been registered and authenticated by the Certificate of Authentication endorsed thereon duly

signed by the Paying Agent; and the Paying Agent is authorized to register and authenticate the Bonds in accordance with the provisions hereof.

Section 17. This School District covenants to and with registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, pursuant to this Resolution, that this School District: (i) shall include the amount of the debt service on the Bonds, for each fiscal year of this School District in which such sums are payable, in its budget for that year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid from the Sinking Fund (hereinafter identified) or any other of its revenues or funds the principal of and interest on each of the Bonds at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, this School District shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Act, the foregoing covenant of this School District shall be specifically enforceable.

Section 18. There is created, pursuant to the requirements of the Act, a sinking fund for the Bonds, to be known as the “Sinking Fund - General Obligation Bonds, Series of 2016” (the “Sinking Fund”), which Sinking Fund shall be administered in accordance with applicable provisions of the Act.

Section 19. This School District appoints the Paying Agent as the sinking fund depository with respect to the Sinking Fund.

Section 20. This School District covenants to make payments out of the Sinking Fund, or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of the Bonds when due.

Section 21. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board of School Directors of this School District are authorized and directed, as required, necessary and/or appropriate: (a) to prepare, to certify and to file with the Department the debt statement required by the Act; (b) to prepare and to file with the Department any statements required by the Act that are necessary to qualify all or any portion of the debt of this School District that is subject to exclusion as self-liquidating or subsidized debt for exclusion from the appropriate debt limit of this School District as self-liquidating or subsidized debt; (c) to prepare and to file the application with the Department, together with a complete and accurate transcript of the proceedings for the required approval relating to the debt, of which debt the Bonds, upon issuance, will be evidence, as required by the Act; (d) to pay or to cause to be paid to the Department all proper filing fees required in connection with the foregoing; and (e) to take other required, necessary and/or appropriate action.

The Board of School Directors of this School District authorizes and directs that an appropriate borrowing base certificate be prepared for filing with the Department as required by the Act. The President or Vice President and the Secretary or Assistant Secretary of the Board of School Directors of this School District are hereby authorized to prepare and to execute, or to authorize the auditors of this School District to prepare and to execute, such borrowing base certificate.

Section 22. If applicable, as determined from the Proposal, the Board of School Directors of this School District authorizes and directs the purchase of municipal bond guaranty insurance with respect to the Bonds. Proper officers of this School District are authorized and directed to take all required, necessary and/or appropriate action with respect to such insurance, as contemplated in the Proposal, including the payment of the premium for such insurance.

Section 23. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board of School Directors of this School District are authorized and directed to contract with the Paying Agent for its services as paying agent with respect to the Bonds and as sinking fund depository in connection with the Sinking Fund.

Section 24. It is declared that the debt to be incurred hereby, together with any other indebtedness of this School District, is not in excess of any limitation imposed by the Act upon the incurring of debt by this School District.

Section 25. Proper officers of this School District are authorized and directed to deliver the Bonds and to authorize payment of all costs and expenses associated with issuance of the Bonds as provided for in the Proposal, but only after the Department has certified its approval pursuant to the provisions of the Act or at such time when the filing authorized to be submitted to the Department pursuant to this Resolution shall be deemed to have been approved pursuant to applicable provisions of the Act.

Section 26. This School District covenants to and with purchasers of the Bonds that it will make no use of the proceeds of the Bonds, or of any other obligations deemed to be part of the same “issue” as the Bonds under applicable Federal tax regulations, that will cause the Bonds to be or become “arbitrage bonds” within the meaning of Section 103(b)(2) and Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and the Treasury Regulations implementing said Sections of the Code. This School District further covenants to and with purchasers of the Bonds that it will make no use of the proceeds of the Bonds, of the proceeds of any other obligations deemed to be part of the same “issue” as the Bonds under applicable Federal tax regulations, or of any property or facilities financed with the proceeds of the Bonds or of any such other obligations deemed to be part of the same “issue” as the Bonds, that will cause the Bonds to be or become “private activity bonds” within the meaning of Section 141 of the Code and the Treasury Regulations implementing said Section of the Code. This School District shall comply with all other requirements of the Code, if and to the extent applicable, to maintain continuously the Federal income tax exemption of interest on the Bonds.

This School District determines that it does not reasonably expect to issue tax-exempt obligations that, together with all tax-exempt obligations reasonably expected to be issued by all entities that issue bonds on behalf of the School District and all “subordinate entities” (within the meaning of Section 265(b)(3)(E) of the Code) of the School District, in the aggregate, will exceed Ten Million Dollars (\$10,000,000) during the 2016 calendar year (excluding obligations issued to refund (other than to advance refund) any obligation to the extent that the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation) and, accordingly, hereby designates the Bonds (to the extent they are not “deemed designated” under Section 265(b)(3)(D)(ii) of the Code) as “qualified tax-exempt obligations,” as defined in

Section 265(b)(3)(B) of the Code, for the purposes and effect contemplated by Section 265 of the Code.

Section 27. This School District does determine to provide for retirement of the Refunded Bonds upon optional redemption prior to stated maturities the Date of Delivery of the Bonds (the “Redemption Date”), as applicable and appropriate, in accordance with the right and privilege reserved to this School District in the Series of 2010 Bonds and in the Series of 2010 Bonds Enabling Resolution.

Such redemption of the Series of 2010 Bonds shall be accomplished in the manner, upon terms and conditions and with the effect provided in the Series of 2010 Bonds and in the Series of 2010 Bonds Enabling Resolution. Promptly following the adoption of this Resolution, the Secretary or Assistant Secretary of the Board of School Directors shall authorize and instruct U.S. Bank National Association, as paying agent and registrar for the Series of 2010 Bonds, or its successor as paying agent and registrar for the Series of 2010 Bonds, if applicable, to issue a proper, conditional notice of redemption to effect the redemption of the outstanding Series of 2010 Bonds on the aforementioned redemption date.

The election of the Board of School Directors to redeem Series of 2010 Bonds and the actions authorized in this Section 27 are subject to consummation of the sale, issuance and delivery of the Bonds.

Section 28. This School District, simultaneously with delivery of the Bonds to the Purchaser, shall enter into a refunding escrow agreement (the “Bond Retirement Agreement”), with U.S. Bank National Association (the “2010 Bonds Paying Agent”), as 2010 Bonds Paying Agent for the Refunded Bonds, which shall provide for a deposit of a portion of the proceeds of the Bonds into escrow with the 2010 Bonds Paying Agent, for the investment of such deposit, and for the application of such proceeds to retirement of the Refunded Bonds as set forth in the Refunding Report and this Resolution.

The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board of School Directors of this School District are authorized and directed to execute, to attest and to seal, as appropriate, and to deliver the Bond Retirement Agreement, simultaneously with such delivery of the Bonds.

The School District does approve the Bond Retirement Agreement in form satisfactory to the Solicitor of this School District and as shall be approved by the officer of the Board of School Directors of this School District executing the same. Such approval of such officer shall be conclusively presumed to have been given by such officer’s execution of the Bond Retirement Agreement.

Section 29. The Secretary of the Board of School Directors of this School District is hereby authorized and directed to execute and to submit to the Pennsylvania Department of Education, promptly following settlement for the Bonds, the appropriate application and other documents and information necessary to obtain state reimbursement with respect to the debt service on the Bonds (including the filing of PLANCON Part H, J and/or K, as applicable).

Section 30. The Board of School Directors of this School District hereby authorizes, approves and ratifies the execution, delivery, use and distribution, as appropriate, of a Preliminary Official Statement (the “Preliminary Official Statement”) and a final Official Statement (the “Official Statement”) relating to the offering and sale of the Bonds.

The Preliminary Official Statement shall be in the form presented to this meeting or which is on file with the Secretary of the Board of School Directors and shall be and hereby is made part of this Resolution. The Preliminary Official Statement hereby is designated as a “deemed final” Official Statement, as contemplated by Rule 15c2-12 of the Securities and Exchange Commission.

The Official Statement shall be in substantially the form of the Preliminary Official Statement, but with such changes, insertions and deletions as shall be necessary or appropriate to incorporate the final terms of the Bonds as contained in the Proposal and this Resolution or as shall be deemed necessary and appropriate by counsel to this School District and Bond Counsel to this School District. The Board of School Directors hereby authorizes either the President or the Vice President of the Board of School Directors to approve the Official Statement on behalf of this School District and to evidence such approval by affixing his or her signature thereto as such officer; the execution of the Official Statement by such officer shall constitute conclusive evidence of the approval of the Official Statement by this School District.

Section 31. This School District shall enter into, and hereby authorizes and directs the President or Vice President of the Board of School Directors of this School District to execute, a Continuing Disclosure Certificate (the “Certificate”) on behalf of this School District on or before the date of issuance and delivery of the Bonds. Such Certificate shall be executed and delivered to satisfy the terms and conditions of the accepted proposal for sale of the Bonds and Securities and Exchange Commission Rule 15c2-12, and shall be substantially in the form presented to this meeting, which is hereby approved, together with any changes therein made and approved by the executing officer of the Board of School Directors of this School District, whose execution and delivery thereof shall constitute conclusive evidence of such approval. A copy of the Certificate shall be filed with the Secretary of the Board of School Directors of this School District and shall be and hereby is made part of this Resolution.

This School District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Certificate. Notwithstanding any other provision of this Resolution, failure of this School District to comply with the Certificate shall not be considered an event of default with respect to the Bonds; however, any registered owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause this School District to comply with its obligations under this Section and such Certificate.

Section 32. The Bonds shall be made available for purchase under a book-entry only system available through The Depository Trust Company, a New York corporation (“DTC”).

If this School District has not heretofore executed, delivered and kept on file with DTC a Blanket Letter of Representations in the form required by DTC for the purpose of evidencing this School District’s agreement to comply with the requirements of DTC’s Operational Arrangements with respect to book-entry securities, then at or prior to settlement for the Bonds, this School

District shall execute, delivery and file with DTC such a Blanket Letter of Representations (the Blanket Letter of Representations so filed or so to be filed with DTC is herein referred to as the "Representation Letter"). The appropriate officers of this School District shall take such action as may be necessary from time to time to comply with the terms and provisions of the Representation Letter.

The Paying Agent, by acceptance of its appointment as paying agent for the Bonds, agrees to authorize and direct its appropriate officers to take such action as may be necessary from time to time to comply with DTC's Operational Arrangements, as amended from time to time, as they shall apply to the Bonds, and any successor paying agent for the Bonds, in its written acceptance of its duties under this Resolution, shall agree to take any actions necessary from time to time to comply with DTC's Operational Arrangements, as the same may apply to the Bonds.

Section 33. Notwithstanding any other provisions of this Resolution to the contrary, the Bonds shall initially be issued in the form of one fully registered bond for the aggregate principal amount of the Bonds of each maturity and interest rate, and the following provisions shall apply with respect to the registration, transfer and payment of the Bonds:

(a) Except as provided in subparagraph (g) below, all of the Bonds shall be registered in the name of Cede & Co., as nominee of DTC; provided that if DTC shall request that the Bonds be registered in the name of a different nominee, the Paying Agent shall exchange all or any portion of the Bonds for an equal aggregate principal amount of Bonds of the same series, interest rate and maturity registered in the name of such nominee or nominees of DTC.

(b) No person other than DTC or its nominee shall be entitled to receive from this School District or the Paying Agent either a Bond or any other evidence of ownership of the Bonds, or any right to receive any payment in respect thereof, unless DTC or its nominee shall transfer record ownership of all or any portion of the Bonds on the registration books (the "Register") maintained by the Paying Agent in connection with discontinuing the book-entry system as provided in subparagraph (g) below or otherwise.

(c) So long as any Bonds are registered in the name of DTC or any nominee thereof, all payments of the principal or redemption price of or interest on such Bonds shall be made to DTC or its nominee in accordance with the Representation Letter on the dates provided for such payments under this Resolution. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of this School District or the Paying Agent with respect to the principal or redemption price of or interest on the Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Bonds outstanding of any maturity, the Paying Agent shall not require surrender by DTC or its nominee of the Bonds so redeemed, but DTC (or its nominee) may retain such Bonds and make an appropriate notation on the Bond certificate as to the amount of such partial redemption; provided that DTC shall deliver to the Paying Agent, upon request, a written confirmation of such partial redemption and thereafter the records maintained by the Paying Agent shall be conclusive as to the amount of the Bonds of such maturity which have been redeemed.

(d) This School District and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to holders of Bonds under this Resolution, registering the transfer of Bonds, obtaining any consent or other action to be taken by holders of Bonds and for all other purposes whatsoever; and neither this School District nor the Paying Agent shall be affected by any notice to the contrary. Neither this School District nor the Paying Agent shall have any responsibility or obligation to any participant in DTC, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any such participant, or any other person which is not shown on the Register as being a registered owner of Bonds, with respect to (1) the Bonds, (2) the accuracy of any records maintained by DTC or any such participant, (3) the payment by DTC or any such participant of any amount in respect of the principal or redemption price of or interest on the Bonds, (4) any notice which is permitted or required to be given to holders of the Bonds under this Resolution, (5) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Bonds, and (6) any consent given or other action taken by DTC as holder of the Bonds.

(e) So long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the holders of such Bonds under this Resolution shall be given to DTC as provided in the Representation Letter.

(f) In connection with any notice or other communication to be provided to holders of Bonds pursuant to this Resolution by this School District or the Paying Agent with respect to any consent or other action to be taken by holders of Bonds, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, provided that this School District or the Paying Agent may establish a special record date for such consent or other action. This School District or the Paying Agent shall give DTC notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(g) The book entry system for registration of the ownership of the Bonds may be discontinued at any time if either (1) after notice to this School District and the Paying Agent, DTC determines to resign as securities depository for the Bonds, or (2) after notice to DTC and the Paying Agent, this School District determines that continuation of the system of book entry transfers through DTC (or through a successor securities depository) is not in the best interests of this School District. In either of such events (unless in the case described in clause (2) above, this School District appoints a successor securities depository), the Bonds shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be designated by DTC, but without any liability on the part of this School District or the Paying Agent for the accuracy of such designation. Whenever DTC requests this School District and the Paying Agent to do so, this School District and the Paying Agent shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

Section 34. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board of the School District are authorized and directed to perform such acts as may be necessary to facilitate settlement for the Bonds.

Section 35. Any reference in this Resolution to an officer or a member of the Board of School Directors of this School District shall be deemed to refer to his or her duly qualified successor in office, if applicable.

Section 36. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of this School District that such remainder shall be and shall remain in full force and effect.

Section 37. All resolutions or parts of resolutions, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

Section 38. This Resolution shall be effective in accordance with the Act.

DULY ADOPTED, by the Board of School Directors of this School District, in lawful session duly assembled, this 8th day of August, 2016.

SOUTHERN LEHIGH SCHOOL DISTRICT,
Lehigh County, Pennsylvania

By: _____
(Vice) President of the Board of
School Directors

ATTEST:

(Assistant) Secretary of the Board
of School Directors

(SEAL)

EXHIBIT A

MATURITY SCHEDULE

**SOUTHERN LEHIGH SCHOOL DISTRICT,
Lehigh County, Pennsylvania**

\$10,000,000 Aggregate Principal Amount
General Obligation Bonds, Series of 2016
Dated the Date of Delivery

<u>Maturity Date</u> <u>(September 1)</u>	<u>Aggregate Principal Amount</u>	<u>Interest Rate</u> <u>Per Annum</u>
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EXHIBIT B
(FORM OF BOND)

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK, CORPORATION (“DTC”), TO THE SCHOOL DISTRICT OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

Number _____

\$ _____

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LEHIGH
**SOUTHERN LEHIGH SCHOOL DISTRICT
GENERAL OBLIGATION BOND, SERIES OF 2016**

<u>INTEREST RATE PER ANNUM</u>	<u>MATURITY DATE</u>	<u>DATED DATE OF SERIES</u>	<u>CUSIP NUMBER</u>
--	----------------------	---------------------------------	-------------------------

REGISTERED OWNER:

PRINCIPAL SUM: _____ DOLLARS (\$ _____)

SOUTHERN LEHIGH SCHOOL DISTRICT, Lehigh County, Pennsylvania (the “School District”), a school district existing under laws of the Commonwealth of Pennsylvania (the “Commonwealth”), for value received, promises to pay to the order of the registered owner named hereon, or registered assigns, on the maturity date stated hereon, upon presentation and surrender hereof, the principal sum stated hereon, unless this General Obligation Bond, Series of 2016 (the “Bond”), shall be redeemable and duly shall have been called for earlier redemption and payment of the redemption price shall have been made or duly provided for, and to pay initially on March 1, 2017, and thereafter semiannually on March 1 and September 1 of each year thereafter, to the registered owner hereof, interest on said principal sum, at the rate per annum stated hereon, until said principal sum has been paid. Interest on this Bond shall be payable from the interest payment

EXHIBIT B (CONT'D)

date next preceding the date of registration and authentication of this Bond, unless: (a) this Bond is registered and authenticated as of an interest payment date, in which event this Bond shall bear interest from such interest payment date; or (b) this Bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event this Bond shall bear interest from such interest payment date; or (c) this Bond is registered and authenticated on or prior to the Record Date next preceding March 1, 2017, in which event this Bond shall bear interest from the Dated Date of Series set forth above; or (d) as shown by the records of the Paying Agent (hereinafter defined), interest on this Bond shall be in default, in which event this Bond shall bear interest from the date to which interest was last paid on this Bond. The interest on this Bond is payable by check drawn on U.S. Bank National Association (the "Paying Agent"), as paying agent, or on any successor paying agent duly appointed under the Resolution (hereinafter defined). The principal of and premium, if any, on this Bond, when due, are payable upon surrender hereof to the Paying Agent at its designated office in the Commonwealth, presently its principal corporate trust office in Philadelphia, Pennsylvania, or at any such additional payment office of the Paying Agent as it may designate, or to any successor paying agent duly appointed under the Resolution (hereinafter defined) at its designated office in the Commonwealth, or at any such additional payment office as such successor paying agent may designate.

Payment of the interest hereon shall be made to the registered owner hereof whose name and address shall appear, at the close of business on the fifteenth (15th) day next preceding each interest payment date (the "Record Date"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of this Bond subsequent to such Record Date and prior to such interest payment date, unless the School District shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent to the registered owner of this Bond not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name this Bond is registered at the close of business on the fifth (5th) day preceding the date of mailing.

Principal, premium, if any, and interest with respect to this Bond are payable in lawful money of the United States of America.

This Bond is one of a series of bonds of the School District, known generally as the "General Obligation Bonds, Series of 2016" (the "Bonds"), all of like date and tenor, except as to numbers, denominations, dates of maturity, rates of interest, and provisions for redemption, in the aggregate principal amount of Ten Million Dollars (\$10,000,000).

The Bonds have been authorized for issuance in accordance with provisions of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Act") of the Commonwealth, and by virtue of a duly adopted resolution (the "Resolution") of the School District. The Act, as such shall have been in effect when the Bonds were authorized, and the Resolution shall constitute a contract between the School District and registered owners, from time to time, of the Bonds.

The School District has covenanted, in the Resolution, to and with registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, pursuant to the Resolution, that the School District: (i) shall include the amount of the debt service for the Bonds, for each

EXHIBIT B (CONT'D)

fiscal year of the School District in which such sums are payable, in its budget for that year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid, from the sinking fund established under the Resolution or any other of its revenues or funds, the principal of and interest on each of the Bonds at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the School District has pledged and does pledge, irrevocably, its full faith, credit and taxing power.

The Bonds are issuable only in the form of registered bonds, without coupons, in the denominations of \$5,000 principal amount or any integral multiple thereof.

The School District and the Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, redemption premium, if any, and interest due hereon and for all other purposes, and the School District and the Paying Agent shall not be affected by any notice to the contrary.

This Bond may be transferred by the registered owner hereof upon surrender of this Bond to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of this Bond or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver at the earliest practicable time in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount that the registered owner is entitled to receive.

Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same series, maturity and interest rate upon surrender of such Bonds to the Paying Agent, with written instructions satisfactory to the Paying Agent.

The School District and the Paying Agent shall not be required to issue or to register the transfer of, or exchange, any Bonds then considered for redemption during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to be redeemed and ending at the close of business on the day of mailing of the applicable notice of redemption, as hereinafter provided, or to register the transfer of, or exchange, any portion of any bond selected for redemption until after the redemption date.

The Bonds are **not** subject to redemption prior to stated maturity.

The School District, in the Resolution, has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal of and the interest on the Bonds shall be deposited not later than the date fixed for the disbursement thereof. The School District has covenanted, in the Resolution, to make payments from such sinking fund or from any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of this Bond.

It hereby is certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Bond or in creation of the debt

EXHIBIT B (CONT'D)

of which this Bond is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Bond, together with any other indebtedness of the School District, is not in excess of any limitation imposed by the Act upon the incurring of debt by the School District.

This Bond is a “qualified tax-exempt obligation”, as defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the “Code”), for the purposes and effect contemplated by Section 265 of the Code (relating to expenses and interest relating to tax-exempt income of certain financial institutions).

This Bond shall not be entitled to any benefit under the Resolution, nor shall it be valid, obligatory or enforceable for any purpose, until this Bond shall have been authenticated by the Paying Agent.

[THIS SPACE LEFT BLANK INTENTIONALLY. SIGNATURE PAGE FOLLOWS]

EXHIBIT B (CONT'D)

IN WITNESS WHEREOF, the School District has caused this Bond to be executed in its name by the manual or facsimile signature of the President or Vice President of the Board of School Directors, and its official seal to be affixed hereto or a facsimile thereof to be printed hereon and the manual or facsimile signature of the Secretary or Assistant Secretary of the Board of School Directors to be affixed hereto in attestation thereof, all as of the Dated Date of Series set forth above.

SOUTHERN LEHIGH SCHOOL DISTRICT,
Lehigh County, Pennsylvania

By: _____
(Vice) President of the Board of
School Directors

ATTEST:

(Assistant) Secretary of the Board
of School Directors

(SEAL)

EXHIBIT B (CONT'D)

**CERTIFICATE OF AUTHENTICATION; CERTIFICATE AS TO
OPINION; AND CERTIFICATE OF INSURANCE**

It is certified that:

- (i) This Bond is one of the Bonds described in the within-mentioned Resolution;
- (ii) Attached to this Bond is the text of an original Opinion issued by Rhoads & Sinon LLP, dated and delivered on the date of the original delivery of, and payment for, such Bonds, a copy of which Opinion is on file at our corporate trust office in U.S. Bank National Association, Philadelphia, Pennsylvania, where the same may be inspected; and
- (iii) _____ has issued its municipal bond insurance policy as stated in the Statement of Insurance printed upon this Bond, a copy of which policy is on file at our corporate trust office in U.S. Bank National Association, Philadelphia, Pennsylvania, where the same may be inspected.

U.S. BANK NATIONAL ASSOCIATION,
as paying agent

By: _____
Authorized Representative

Date of Registration and Authentication: _____

EXHIBIT B (CONT'D)
STATEMENT OF INSURANCE
[TO BE PROVIDE BY BOND INSURER]

EXHIBIT B (CONT'D)

ASSIGNMENT

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

_____ (the Transferee?)
Name

Address
Social Security or Federal Employer Identification No. : _____

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, as attorney, to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

Date: _____

Signature(s) Guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution that is a participant in a signature guarantee program recognized by the Securities Transfer Association

NOTICE: No transfer will be made in the name of the Transferee unless the signature(s) to this assignment correspond(s) with the name(s) appearing upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied. If the Transferee is a trust, the names and Social Security or Federal Employer Identification Numbers of the settlor and beneficiaries of the trust, the Federal Employer Identification Number and date of the trust and the name of the trustee must be supplied.

CERTIFICATE

I, the undersigned, (Assistant) Secretary of the Board of School Directors of SOUTHERN LEHIGH SCHOOL DISTRICT, Lehigh County, Pennsylvania (the "School District"), certify that: the foregoing is a true and correct copy of a Resolution that duly was adopted by affirmative vote of a majority of all members of the Board of School Directors of the School District at a meeting duly held on August 8, 2016; said Resolution duly has been recorded in the minute book of the Board of School Directors of the School District; a notice with respect to the intent to adopt said Resolution has been published as required by law; said Resolution was available for inspection by any interested citizen requesting the same in accordance with the requirements of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania and such notice; and said Resolution has not been amended, altered, modified or repealed as of the date of this Certificate.

I further certify that the Board of School Directors of the School District met the advance notice and public comment requirements of the Sunshine Act, 65 Pa.C.S. §701, et seq., by advertising the time and place of said meeting, by posting prominently a notice of said meeting at the principal office of the School District or at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment prior to adoption of said Resolution, all as required by such Act.

I further certify that: the total number of members of the Board of School Directors of the School District is nine (9); the vote of members of the Board of School Directors of the School District upon said Resolution was called and duly was recorded upon the minutes of said meeting; and members of the Board of School Directors of the School District voted upon said Resolution in the following manner:

Kathleen Parsons	-	
Jeffrey Dimmig	-	
Dr. Thomas McLoughlin	-	
Corinne Gunkle	-	
Emily Gehman	-	
William Lycett	-	
Brian Merkle	-	
Rita Sisselberger	-	
Jennifer Smith	-	;

IN WITNESS WHEREOF, I set my hand and affix the official seal of the School District, this 8th day of August, 2016.

(Assistant) Secretary of the Board of School
Directors

(SEAL)