

RESOLUTION OF THE BOARD OF SCHOOL DIRECTORS  
OF  
THE CUMBERLAND VALLEY SCHOOL DISTRICT  
CUMBERLAND COUNTY, PENNSYLVANIA

A RESOLUTION OF THE BOARD OF SCHOOL DIRECTORS OF THE CUMBERLAND VALLEY SCHOOL DISTRICT, CUMBERLAND COUNTY, PENNSYLVANIA, SETTING FORTH ITS INTENT TO ISSUE ONE OR MORE SERIES OF GENERAL OBLIGATION BONDS OF THE SCHOOL DISTRICT IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED FIFTY-THREE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$53,500,000) PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, 53 PA.C.S. CHAPTERS 80-82, AS AMENDED, REENACTED AND SUPPLEMENTED, KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT (THE "ACT"); FINDING THAT A PRIVATE SALE BY NEGOTIATION IS IN THE BEST FINANCIAL INTERESTS OF THE SCHOOL DISTRICT; DETERMINING THAT SUCH BONDS SHALL EVIDENCE NONELECTORAL DEBT OF THE SCHOOL DISTRICT; SPECIFYING THAT SUCH INDEBTEDNESS TO BE INCURRED TO PROVIDE FUNDS FOR CERTAIN PROJECTS OF THE SCHOOL DISTRICT WHICH INCLUDES THE FOLLOWING: (1) THE REFUNDING OF THE SCHOOL DISTRICT'S OUTSTANDING GENERAL OBLIGATION NOTE, SERIES OF 2017; (2) THE REFUNDING OF A PORTION OF THE SCHOOL DISTRICT'S OUTSTANDING GENERAL OBLIGATION BONDS, SERIES OF 2015; (3) THE DESIGN, ACQUISITION, CONSTRUCTION, INSTALLATION, FURNISHING AND EQUIPPING OF ALTERATIONS, RENOVATIONS, ADDITIONS AND IMPROVEMENTS TO THE EXISTING BUILDINGS AND FACILITIES OF THE SCHOOL DISTRICT; AND (4) PAYING THE COSTS AND EXPENSES OF ISSUANCE OF THE BONDS; SETTING FORTH THE REMAINING REASONABLE ESTIMATED USEFUL LIVES OF THE CAPITAL PROJECTS THAT ARE TO BE FINANCED AND REFINANCED BY THE BONDS; ACCEPTING A PROPOSAL FOR THE PURCHASE OF SUCH BONDS AT PRIVATE SALE BY NEGOTIATION; PROVIDING THAT SUCH BONDS, WHEN ISSUED, SHALL CONSTITUTE A GENERAL OBLIGATION OF THE SCHOOL DISTRICT; FIXING THE DENOMINATIONS, DATED DATE, INTEREST PAYMENT DATES, MATURITY DATES, INTEREST RATES, REDEMPTION PROVISIONS, MANDATORY REDEMPTION PROVISIONS (IF APPLICABLE) AND PLACE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; AUTHORIZING SPECIFIED OFFICERS OF THE SCHOOL DISTRICT TO CONTRACT WITH THE PAYING AGENT FOR ITS SERVICES IN CONNECTION WITH THE BONDS; SETTING FORTH THE SUBSTANTIAL FORM OF THE BONDS EVIDENCING THE DEBT; AUTHORIZING EXECUTION AND ATTESTATION OF SUCH BONDS; PROVIDING COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SUCH BONDS TO THE EXTENT REQUIRED BY THE ACT AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE SCHOOL DISTRICT IN SUPPORT THEREOF; CREATING A SINKING FUND IN CONNECTION WITH SUCH BONDS, TO THE EXTENT REQUIRED BY THE ACT; DESIGNATING THE PAYING AGENT TO BE THE SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT FOR SUCH BONDS WHEN

DUE; SETTING FORTH REGISTRATION AND TRANSFER PROVISIONS WITH RESPECT TO SUCH BONDS; AUTHORIZING THE EXECUTION OF ONE OR MORE INVESTMENT AGREEMENTS BY SPECIFIED OFFICERS OF THE SCHOOL DISTRICT (IF APPLICABLE) AND THE PURCHASE OF CERTAIN U.S. TREASURY OBLIGATIONS OR ANY OTHER SECURITIES OR INVESTMENTS IN CONNECTION WITH THE PROJECT; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THE SCHOOL DISTRICT TO DO, TO TAKE AND TO PERFORM CERTAIN SPECIFIED, REQUIRED, NECESSARY OR APPROPRIATE ACTS TO EFFECT THE ISSUANCE OF THE BONDS, INCLUDING, WITHOUT LIMITATION, THE PREPARATION OF A DEBT STATEMENT AND BORROWING BASE CERTIFICATE, AND THE FILING OF SPECIFIED DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, ALL AS REQUIRED BY THE ACT; DECLARING THAT THE DEBT TO BE EVIDENCED BY SUCH BONDS, TOGETHER WITH ALL OTHER INDEBTEDNESS OF THE SCHOOL DISTRICT, WILL NOT BE IN EXCESS OF ANY APPLICABLE LIMITATION IMPOSED BY THE ACT; AUTHORIZING PROPER OFFICERS OF THE SCHOOL DISTRICT TO DELIVER THE BONDS UPON THE APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; SETTING FORTH CERTAIN COVENANTS PRECLUDING THE SCHOOL DISTRICT FROM TAKING ACTIONS WHICH WOULD CAUSE THE BONDS TO BECOME "ARBITRAGE BONDS" OR "PRIVATE ACTIVITY BONDS," AS THOSE TERMS ARE USED IN THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND APPLICABLE REGULATIONS PROMULGATED THEREUNDER, IF APPLICABLE TO A SERIES OF BONDS; AUTHORIZING THE PURCHASE OF BOND INSURANCE (IF APPLICABLE); SETTING FORTH THE PROVISIONS, IF ANY, REQUIRED TO BE INCLUDED BY THE BOND INSURER; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE CERTIFICATE AND COVENANTING TO COMPLY WITH THE PROVISIONS THEREOF; PROVIDING WHEN THIS RESOLUTION SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL RESOLUTIONS OR PARTS OF RESOLUTIONS INsofar AS THE SAME SHALL BE INCONSISTENT HERewith.

WHEREAS, Cumberland Valley School District, Cumberland County, Pennsylvania (the "School District"), is a school district of the Commonwealth of Pennsylvania (the "Commonwealth"); and

WHEREAS, the School District, in contemplation of the issuance and sale its General Obligation Bonds in one or more series in an aggregate principal amount not to exceed Fifty-Three Million Five Hundred Thousand Dollars (\$53,500,000), to provide funds for and towards certain projects of the School District, has determined that the Bonds (hereinafter defined) shall be offered for sale at a private sale by negotiation pursuant to the provisions of the Local Government Unit Debt Act of the Commonwealth, as re-enacted and amended (the "Act") and has determined that a private sale by negotiation is in the best financial interests of the School District; and

WHEREAS, the Board of School Directors of the School District (the "Board") has determined that such Bonds will be designated generally as "Cumberland Valley School

District, Cumberland County, Pennsylvania, General Obligation Bonds, Series of 2020” (the “Bonds”) or such other name and with such designations as shall be selected by the President or Vice President of the Board upon delivery of the Bonds in accordance with Section 8 hereof; and

WHEREAS, the Bonds shall be issued in the aggregate principal amount not to exceed Fifty-Three Million Five Hundred Thousand Dollars (\$53,500,000); and

WHEREAS, the Board has determined to accept the proposal of Stifel, Nicolaus & Company, Incorporated or an assignee designated in writing by the school district (the “Purchaser”), for the purchase of the Bonds, such sale to be conditioned upon, among other things, the receipt of approval from the Department of Community and Economic Development of the Commonwealth (the “Department”) relating to the issuance of the indebtedness to be evidenced by the Bonds; and

WHEREAS, the School District has heretofore issued its General Obligation Note, Series of 2017 in the aggregate principal amount of \$9,995,000, of which \$9,985,000 remains outstanding as of the date hereof (the “2017 Note”); and

WHEREAS, the School District desires to authorize the refunding of the 2017 Note for the purpose of reducing the total debt service over the life of the issue; and

WHEREAS, the Bonds which are being issued to refund the 2017 Note, will not be outstanding through a maturity date that could not have been included in the issue of the 2017 Note; and

WHEREAS, the School District has heretofore issued its General Obligation Bonds, Series of 2015 in the aggregate principal amount of \$54,360,000, of which \$54,335,000 remains outstanding as of the date hereof (the “2015 Bonds”); and

WHEREAS, the School District has determined to refund a portion of the 2015 Bonds in an amount to be determined upon final pricing of the Bonds, which amount shall be set forth in the Addendum delivered pursuant to Section 5 hereof (the “Refunded 2015 Bonds”); and

WHEREAS, the School District desires to authorize the refunding of the Refunded 2015 Bonds for the purpose of reducing the total debt service over the life of the issue; and

WHEREAS, the Bonds which are being issued to refund the Refunded 2015 Bonds will not be outstanding through a maturity date that could not have been included in the issue of the Refunded 2015 Bonds; and

WHEREAS, in addition to the refunding of the Refunded 2017 Note and the Refunded 2015 Bonds, the School District intends to apply a portion of the proceeds of the Bonds to finance the design, acquisition, alteration, renovation and construction of additions and improvements to existing buildings and facilities of the School District (the “Capital Project”); and

WHEREAS, acquisition and installation of the Capital Project is expected to commence prior to the issuance of the Bonds and the School District desires to pay for certain of the costs of the Capital Project from general funds of the School District, which do not constitute proceeds of tax-exempt bonds or notes; and

WHEREAS, the School District, in compliance with Section 1.150-2 of the United States Treasury Regulations, reasonably expects to reimburse the expenditures made by it for said Capital Project with proceeds of the Bonds; and

WHEREAS, the Board has determined to and desires to accept the proposal of the Purchaser and to incur nonelectoral debt in the aggregate principal amount not to exceed Fifty-Three Million Five Hundred Thousand Dollars (\$53,500,000) to fund the projects described below of the School District pursuant to the provisions of the Act.

NOW, THEREFORE, BE IT RESOLVED, by the Board of School Directors of Cumberland Valley School District, Cumberland County, Pennsylvania, in lawful session duly assembled, as follows:

Section 1. Incurrence of Indebtedness.

(a) Pursuant to the provisions of this Resolution, the Board hereby authorizes and directs the issuance of the Bonds in one or more series in the aggregate principal amount not to exceed Fifty-Three Million Five Hundred Thousand Dollars (\$53,500,000) to be designated generally as “Cumberland Valley School District, Cumberland County, Pennsylvania, General Obligation Bonds, Series of 2020” or such other name or such other designations, including the appropriate designation of the year and series such Bonds are issued, as shall be selected by the President or Vice President of the Board upon delivery of the Bonds in accordance with the requirements of Section 8 hereof. The Bonds shall be issued and sold in accordance with the provisions of the Act by private sale by negotiation. In connection therewith, the Board hereby finds and determines that a private sale by negotiation is in the best financial interests of the School District.

(b) The Board determines that the debt to be incurred pursuant to this Resolution, and which will be evidenced by the Bonds, shall be nonelectoral debt of the School District.

(c) The Board further determines that any Bonds to be issued to the provisions of this Resolution shall be issued on or before December 31, 2020.

Section 2. The Project.

A brief description of the project (the “Project”) to be funded with, among other things, the proceeds of the Bonds to be issued from time to time pursuant to this Resolution is as follows: (1) the refunding of the 2017 Note and the Refunded 2015 Bonds (collectively, the “Refunded Obligations”); (2) the funding of the Capital Project; and (3) the payment of the costs and expenses of issuance of the Bonds. The Board hereby approves the refunding of the Refunded Obligations.

The remaining realistic estimated useful lives of the capital projects originally financed or refinanced by the Refunded 2017 Note and to be refinanced by the Bonds is at least 32 years. The remaining realistic estimated useful lives of the capital projects originally financed or refinanced by the Refunded 2015 Bonds and to be refinanced by the Bonds is at least 30 years. The realistic estimated useful lives of the capital projects to be financed by the Bonds are at least 25 years. It is hereby certified that an aggregate principal amount of the Bonds at least equal to the realistic estimated cost of each such capital project shall mature prior to the end of the useful life of such project.

Stated installments or maturities of principal of the issue of Bonds will not be deferred beyond the later of one year after the estimated date for the completion of the construction portion of the Project, if any, or two years from the date of issue of the Bonds.

The School District hereby finds and certifies that realistic cost estimates have been obtained for the costs of the Project from financial analysts, registered architects, professional engineers or other persons qualified by experience to provide such estimates.

Section 3. Refunding of Refunded Obligations. In connection with the issuance and sale of the Bonds, the Board of the School District, as required by the provisions of the Act, hereby finds, determines and states (a) that the purpose of the refunding of the Refunded Obligations is to is to reducing the total debt service over the life of each series; and (b) that the refunding of the Refunded Obligations is authorized and permitted under and pursuant to the provisions of Section 8241 of the Act. The Board further finds and determines that the final maturity date of the Bonds issued to effect the refunding of the Refunded Obligations does not extend to a date that could not have been included in the respective series of Refunded Obligations.

The Board of the School District hereby authorizes and directs its proper officers, agents and employees to execute all documents, including, but not limited to escrow deposit agreements, if applicable, and take all actions necessary in connection with accomplishing the refunding of the Refunded Obligations, including, but not limited to providing notice to the Paying Agent for the Refunded Obligations, and to call the Refunded Obligations for optional redemption in full on the first date the Refunded Obligations are eligible to be called for optional redemption. In accordance with Section 8246 of the Act, it is the intent of the Board that the Refunded Obligations shall no longer be outstanding from and after the date of the issuance of the Bonds.

Section 4. Private Sale by Negotiation.

The private sale by negotiation of the Bonds to finance the Project and the costs and expenses of the financing is hereby determined to be in the best financial interest of the School District.

Section 5. Acceptance of Proposal.

Subject to the approval of the Department, as required by the provisions of the Act, the Board shall and does hereby accept the proposal of the Purchaser, for the purchase of the

Bonds in accordance with the terms and conditions of this Resolution and the Purchaser's proposal, dated May 18, 2020 (the "Proposal"). The sale of the Bonds shall be for an aggregate purchase price of not less than 95.0% nor more than 125.0% of the par amount of the Bonds issued by the School District, exclusive of any original issue discount and any original issue premium, plus accrued interest, if any, from the date of the Bonds to the date of delivery thereof. The President or Vice President of the Board is hereby authorized and directed to accept and to execute the Proposal in the name and on behalf of the School District, and the Secretary or Assistant Secretary of the School District is hereby authorized and directed to attest to such acceptance and execution. A copy of the Proposal, as presented to the Board and accepted by this Resolution, is incorporated herein by reference and shall be attached to this Resolution and maintained with the minutes of 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 the School District with respect to such bid security, except as provided by the Act.

Upon final pricing of the Bonds for each series, the Purchaser will present to the School District an Addendum to the Proposal setting forth the final terms and conditions of the Bonds, including the final principal amount, interest rates, redemption provisions and purchase price for the Bonds of such series and the principal amount of each series of the Refunded Obligations to be refunded as part of the Project (the "Addendum"). As long as the terms and conditions set forth in the Addendum satisfy the parameters set forth in this Resolution, the President or Vice President of the Board is hereby authorized and directed to accept and to execute the Addendum in the name and on behalf of the School District, and the Secretary, Assistant Secretary or Treasurer of the School District is hereby authorized and directed to attest to such acceptance and execution.

Section 6. The Bonds.

(a) The Bonds, when issued, will be a general obligation of the School District.

(b) The Bonds shall be fully registered, without coupons, in denominations of \$5,000 or any integral multiple thereof, in substantially the form hereinafter set forth in Section 8. Each series of Bonds shall be dated as set forth in the definitive series of Bonds as delivered to the Purchaser in accordance with the provisions hereof, and shall bear interest from that date at the applicable rates per annum as set forth herein, payable in accordance with the provisions of the Bonds and this Resolution, semiannually on May 15 and November 15 in each year, commencing with the May 15 or November 15 following the delivery of the Bonds (each an "Interest Payment Date"), until maturity or prior redemption.

(c) The Bonds shall bear interest at rates not to exceed the maximum rates of interest and shall mature, whether by maturity or mandatory sinking fund redemption on the dates and in the amounts not to exceed the maximum amounts as set forth on Exhibit A attached hereto.

Each series of Bonds shall be issued as serial bonds or term bonds or a combination thereof and shall be subject to optional and mandatory sinking fund redemption as

set forth in the definitive series of Bonds as delivered to the Purchaser in accordance with the provisions hereof and the delivery instructions of the Purchaser; provided however that the interest rates on each series of Bonds, and any serial maturities or mandatory sinking fund redemption amounts shall be within the parameters set forth on Exhibit A attached hereto.

In lieu of such mandatory redemption, the Paying Agent, on behalf of the School District, may purchase, from money in the Sinking Fund, or the School District may tender to the Paying Agent, all or part of the Bonds subject to mandatory redemption in any such year.

If any maturity of the Bonds that is subject to mandatory sinking fund redemption shall be called for optional redemption in part, the School District shall be entitled to designate whether the principal amount redeemed is to be credited against the principal amount of the Bonds of such maturity required to be called for mandatory sinking fund redemption or in such order of maturity as shall be directed in writing by the School District, in each case in multiples of \$5,000 principal amount.

If a Bond is of a denomination larger than \$5,000, a portion of such Bond may be redeemed. For the purposes of redemption, such Bond shall be treated as representing that number of Bonds which is obtained by dividing the principal amount thereof by \$5,000, each \$5,000 portion of such Bond being subject to redemption. In the event of a partial redemption of a Bond, payment of the redemption price shall be made only upon surrender of such Bond in exchange for Bonds of the same series and of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

Any redemption of Bonds shall be upon notice effected by mailing a copy of the redemption notice by first-class mail, postage prepaid, such notice to be sent not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption, addressed to the registered owners of Bonds to be redeemed at their addresses shown on the registration books kept by the Paying Agent (hereinafter defined) as of the date the Bonds are selected for redemption; provided, however, that failure to give such notice by mailing, or any defect therein or in the mailing thereof, shall not affect the validity of any proceeding for redemption of other Bonds called for redemption as to which proper notice has been given.

If at the time of mailing of the notice of redemption the School District shall not have deposited with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Paying Agent no later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal and accrued interest being held by such Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof shall cease to be entitled to any benefit or security under this Resolution, and registered owners of such Bonds shall have no rights with respect to such Bonds, except to receive payment of the principal of and accrued interest on such Bonds to the date fixed for redemption.

If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or by executive order to remain closed, then the payment of such principal and interest upon such redemption need not be made on such date, but may be made on the next succeeding day which is not a Saturday, Sunday, legal holiday or day on which such banking institutions are authorized to remain closed, with the same force and effect as if made on the nominal date of redemption, and no interest shall accrue after such date.

Section 7. Appointment of Paying Agent, Registrar and Sinking Fund Depositary.

The proper officers of the School District are hereby authorized, empowered and directed to contract with Manufacturers and Traders Trust Company or such other bank or bank and trust company selected by the School District which is authorized to do business in the Commonwealth of Pennsylvania and which has an office in the Commonwealth of Pennsylvania (the "Paying Agent"), for its services as paying agent and sinking fund depositary in accordance with the terms and conditions of the Proposal, this Resolution and the Act. Payment of the principal of and interest on the Bonds shall be made, when due, in accordance with the provisions of the Bonds, at the corporate trust office of the Paying Agent in lawful money of the United States of America. The School District may, by resolution, from time to time, appoint a successor paying agent, registrar or sinking fund depositary to fill a vacancy or for any other reason.

Section 8. Form of Bonds.

(a) The Bonds shall be in substantially the form set forth in Exhibit "B" with appropriate insertions, omissions and variations. The form of the Bonds as submitted to the School District is hereby approved in substantially such form, with such changes, insertions and variations as are necessary or appropriate to reflect the final terms, including, but not limited to, the name or designation and the final redemption provisions, of the Bonds as specified to the School District in the delivery instructions of the Purchaser and such other changes as the President or Vice President of the Board may approve upon advice of counsel to the School District, such approval to be evidenced by such officer's execution and delivery of the Bonds.

(b) The Bonds shall be executed in the name and on behalf of the School District by the true or facsimile signature of the President or Vice President of the Board and the true or facsimile official seal of the School District shall be affixed thereunto, duly attested by the true or facsimile signature of the Secretary or Assistant Secretary of the School District. Said officers are authorized and directed to execute and attest the Bonds. The execution and delivery of the Bonds shall constitute conclusive proof of the approval of the final terms and provisions of the Bonds by the School District.

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. To the extent that any one signature on a



Bond (including the signature of the authorized representative of the Paying Agent) is manual, all other signatures may be by facsimile. The Secretary or his or her delegate is hereby authorized and directed to deliver, or cause to be delivered, the Bonds to the Purchaser and receive payment therefor on behalf of the School District after sale of the same in the manner required by law and this Resolution.

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, which Bonds shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”). The Bonds issued in the name of Cede & Co. in accordance with the provisions of this Section may be issued in typewritten form satisfactory to DTC. Except as provided below all of the Bonds shall be registered in the registration books kept by the Paying Agent 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 registered in the name of such nominee or nominees of DTC. No person other than DTC or its nominee shall be entitled to receive from the 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 maintained by the Paying Agent, in connection with discontinuing the book-entry system as below or otherwise.

So long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal or redemption price, if any, of or interest on such Bonds shall be made to DTC or its nominee. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the 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.

The School District and the Paying Agent shall treat DTC (or its nominee) as the sole and exclusive registered 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 registered owners of the Bonds, registering the transfer of the Bonds, obtaining any consent or other action to be taken by registered owners of the Bonds and for all other purposes whatsoever; and neither the School District nor the Paying Agent shall be affected by any notice to the contrary. Neither the 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 registration books of the Paying Agent as being a registered owner, 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 registered owners of the Bonds; (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; or (6) any consent given or other action taken by DTC as the registered owner of the Bonds.

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 registered owners of the Bonds under this Resolution shall be given to DTC.

In connection with any notice or other communication to be provided to registered owners of the Bonds pursuant to this Resolution by the School District or the Paying Agent with respect to any consent or other action to be taken by registered owners of the 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 the School District or the Paying Agent may establish a special record date for such consent or other action. The School District or the Paying Agent shall give DTC notice of such special record date not less than 10 calendar days in advance of such special record date to the extent possible.

The book-entry system for registration of the ownership of the Bonds may be discontinued at any time if: (1) after notice to the School District and the Paying Agent, DTC determines to resign as securities depository for the Bonds; (2) after notice to DTC and the Paying Agent, the 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 the School District or the beneficial owners of the Bonds. In any such event, unless the 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 in writing by DTC, but without any liability on the part of the School District or the Paying Agent for the accuracy of such designation. Whenever DTC requests the School District and the Paying Agent to do so, the School District and the Paying Agent shall cooperate with DTC in taking appropriate action after reasonable written notice to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

#### Section 9. General Obligation Covenant.

The School District covenants to and with the registered owners from time to time of the Bonds that the School District (i) shall include in its budget in each fiscal year the amount of the debt service for each fiscal year of the School District in which such sums are payable, (ii) shall appropriate from its general revenues in each such fiscal year the amount required to pay debt service on the Bonds for such year, and (iii) shall duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds the principal amount of the Bonds and the interest due thereon at the dates and place and in the manner stated therein, according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the School District shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in Section 8104 of the Act, the foregoing covenant of the School District shall be enforceable specifically.

#### Section 10. Sinking Funds.

(a) The School District hereby covenants to create and there is hereby created, pursuant to Section 8221 of the Act, a sinking fund for the Bonds, to be known as “Sinking Fund – Cumberland Valley School District, Cumberland County, Pennsylvania, General Obligation Bonds, Series of 2020” (the “Sinking Fund”) or such other name and with such

designation as selected by the proper officers of the School District from time to time shall be established with the Paying Agent and administered in accordance with applicable provisions of the Act and this Resolution.

(b) The Paying Agent shall be the “sinking fund depository” with respect to the Sinking Fund created pursuant to Section 10(a). The School District covenants and agrees to deposit in the Sinking Fund, on or before each Interest Payment Date, an amount which shall be sufficient to permit the Paying Agent to pay on such Interest Payment Date all principal and accrued interest becoming due with respect to the Bonds. After such deposit, the Paying Agent shall, without further authorization or direction from the School District or any of its officials, upon proper and timely presentation, execution and surrender of the Bonds, with respect to the payment of principal of the Bonds, or at the Interest Payment Date, with respect to the payment of interest on the Bonds, withdraw moneys from the Sinking Fund and apply such moneys to the prompt and full payment of such obligations in accordance with the terms thereof, the terms and conditions of this Resolution and the provisions of the Act.

#### Section 11. Bond Payment Dates.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of registration and authentication of such Bonds, unless (a) such Bonds are registered and authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from said Interest Payment Date; or (b) the Bonds are registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding Interest Payment Date, in which event such Bonds shall bear interest from such Interest Payment Date, or (c) the Bonds are registered and authenticated on or prior to the Record Date preceding the first Interest Payment Date, in which event such Bonds shall bear interest from the dated date thereof, or (d) as shown by the records of the Paying Agent, interest on such Bonds shall be in default, in which event such Bonds shall bear interest from the date on which interest was last paid on such Bonds. Interest shall be paid semiannually on May 15 and November 15 of each year, commencing with the May 15 or November 15 following the delivery of the Bonds, until the principal sum is paid.

If the use of the Book-Entry Only System is discontinued for any reason, note certificates will be issued to the beneficial owners of the Bonds and interest on the Bonds is payable by check drawn on the Paying Agent, which shall be mailed to the registered owner whose name and address shall appear, at the close of business on the fifteenth (15th) day (whether or not a business 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 the Bonds 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 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 to the registered owners of the Bonds not less than ten (10) 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 the interest on any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or executive order to remain closed, then the payment of such principal or interest need not be made on such date, but may be made on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to remain closed, with the same force and effect as if made on the nominal date of redemption, and no interest shall accrue after such date.

The School District and the Paying Agent shall not be required: (i) 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 on which the applicable notice of redemption is given, or (ii) to register the transfer of or exchange any portion of any Bond selected for redemption, in whole or in part until after the date fixed for redemption. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity and interest rate.

The Bonds shall be transferable or exchangeable by the registered owner thereof upon surrender thereof to the Paying Agent, at its principal corporate trust office, 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 his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of the Bonds in the registration books of the School District maintained by the Paying Agent and shall authenticate and deliver in the name of the transferee or transferees new fully registered Bonds of authorized denominations of the same series and maturity for the aggregate amount which the transferee or transferees are entitled to receive at the earliest practicable time.

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

The School District shall cause to be kept, and the Paying Agent shall keep, at the principal corporate trust office of the Paying Agent, books for the registration, exchange and transfer of Bonds in the manner provided herein and therein so long as the 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 12. Investment Agreements.

If necessary, the School District hereby approves the execution of one or more investment agreements, the purchase of certain U.S. Treasury obligations or any other securities or investments (the "Investments") for investment of the proceeds of the Bonds in connection with the Project and the refunding of the Refunded Obligations. The School District hereby authorizes and directs the President or Vice President of the Board to execute and the Secretary or Assistant Secretary of the School District to attest any investment agreement on behalf of the School District, in the form approved by the Solicitor and Bond Counsel of the School District. The Investments shall be limited to those authorized under law for proceeds of the Bonds.

Section 13. Debt Statement and Borrowing Base Certificate.

The President or Vice President of the Board and the Secretary or Assistant Secretary of the School District, and, if applicable, their duly qualified respective successors, are hereby authorized and directed, in the name and on behalf of the School District: (a) to prepare, execute and certify the debt statement and borrowing base certificate required by the Act; (b) to prepare, execute and file with the Department, as required by Section 8111 of the Act, a duly attested copy of this Resolution, with proofs of proper publication, the accepted Proposal of the Purchaser and a complete and accurate transcript of the proceedings relating to the incurring of the debt to be evidenced by the Bonds, including the debt statement and borrowing base certificate; (c) to pay or to cause to be paid to the Department all proper filing fees required by the Act in connection with the foregoing; (d) to pay or cause to be paid from proceeds of the Bonds or otherwise, all costs and expenses incurred by the School District in connection with the issuance of the Bonds; (e) to advertise the adoption of this Resolution, as required by the Act; (f) to file with the Department any notifications required by Section 8202 of the Act and to file with the Department a revised debt service schedule for the Bonds after the issuance thereof; and (g) to take any and all other action, and to execute and deliver any and all documents and other instruments, required or permitted by the Act or by the Proposal of the Purchaser, or which they, in their sole discretion, may deem necessary, proper or desirable to effect the issuance of the Bonds, to the extent not inconsistent with this Resolution or applicable law.

The President or Vice President of the Board or the Secretary or Assistant Secretary of the School District are each authorized and directed, if necessary or desirable, to cause to be prepared and filed with the Department appropriate statements required by Section 8026 of the Act which are necessary to qualify the nonelectoral or lease rental debt of the School District, which is subject to exclusion of self-liquidating or subsidized debt, for exclusion from the appropriate debt limits of the School District as self-liquidating or subsidized debt.

Section 14. Preliminary Official Statement and Official Statement.

The Board hereby approves the form of and the preparation, use and distribution of the Preliminary Official Statement by the Purchaser in connection with the marketing of the Bonds. The President or Vice President of the Board and the Secretary or Assistant Secretary of the School District are hereby authorized to execute and approve a final Official Statement relating to the Bonds and any amendments or supplements to the same, provided that the final Official Statement and any amendment and/or supplement shall have been approved by counsel

to the School District. The Purchaser is hereby authorized to use the final Official Statement (and any amendment or supplement thereto) in connection with the sale of the Bonds.

Section 15. Compliance with Debt Act.

It is hereby declared that the debt to be evidenced by the Bonds, together with all other indebtedness of the School District, is not in excess of any applicable limitation imposed by the Act upon the incurring of debt by the School District.

Section 16. Delivery of the Bonds.

The proper officers of the School District are hereby authorized and directed to deliver the Bonds as and when issued to the Purchaser, upon due registration and authentication thereof as provided for herein, upon receipt of full and proper payment of the purchase price therefor, provided, however, that such delivery shall be effected only after the Department has certified its approval pursuant to Section 8204 of the Act.

Section 17. Internal Revenue Code Covenants.

The School District covenants to and with the registered owners of the Bonds that are issued as tax-exempt obligations that it will make no use of the proceeds of such issue or issues or do or suffer any other action which, if such use or action had been reasonably expected on the date of issue of such Bonds, would cause such Bonds to be “arbitrage bonds” or “private activity bonds” as those terms are defined in Section 148 and Section 141 of the Code and the applicable regulations thereunder. The School District further covenants that it will comply with the requirements of such Section 148 and Section 141 and with the regulations thereunder throughout the term of this issue. In addition, the President or Vice President of the Board, being the official(s) responsible for issuing the Bonds, attested by the Secretary or Assistant Secretary of the School District, are hereby authorized and directed to execute and deliver, in the name and on behalf of the School District, any and all documents or other instruments which Bond Counsel may reasonably request in connection with the providing of its opinion that the Bonds are not “arbitrage bonds” or “private activity bonds” within the meanings of Section 148 and Section 141 of the Code and the regulations promulgated thereunder, including, without limitation, a certificate dated the date of issuance and delivery of the Bonds, which certificate shall set forth the reasonable expectations of the School District as to the amount and use of the proceeds of the Bonds.

Section 18. Bond Insurance.

If necessary or desirable, the Board hereby authorizes and directs the purchase of a municipal bond insurance policy or policies (the “Municipal Bond Insurance Policy”) to be issued by a municipal bond insurer acceptable to the Purchaser and the School District insuring the payment when due of the principal of and interest on the Bonds as provided therein. Proper officers of the School District are authorized and directed to take all required, necessary and/or appropriate action with respect to such insurance, including the payment of the premium thereof. Proper officers of the School District are also authorized and directed to execute any and all documents or agreements with respect to such insurance, as may be required by the insurer.

Section 19. Refunding of Refunded Obligations.

The School District hereby authorizes and directs the proper officers, agents and employees to execute any and all documents and to take any and all action necessary in connection with the Project to cause the Refunded Obligations to “no longer be deemed to be outstanding” as of the date of delivery of the Bonds, within the meaning and for the purposes of Section 8250 of the Act and to cause the redemption of the Refunded Obligations on the closing date for the issuance of the Bonds or as soon thereafter as practicable.

Section 20. Reimbursement of Expenditures

The School District reasonably expects to reimburse original expenditures for the Capital Project to be paid by the School District from general funds of the School District with the proceeds of the Bonds. This is a declaration of official intent intended to comply with the requirements of Section 1.150-2(e) of the United States Treasury Regulations. The maximum amount of debt expected to be issued to finance the Capital Project is \$10,000,000 excluding costs of issuance.

Section 21. Continuing Disclosure Obligations.

The proper officers of the School District are hereby authorized to execute a Continuing Disclosure Certificate (hereinafter defined) on behalf of the School District and the School District hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure Certificate as required by applicable law. Notwithstanding any other provision of this Resolution, failure of the School District to comply with the Continuing Disclosure Certificate shall not be considered an event of default; however, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the School District to comply with its obligations under this Section.

As used herein, the term “Continuing Disclosure Certificate” shall mean one or more Continuing Disclosure Certificates to be executed by the School District in order to comply with Securities and Exchange Commission Rule 15c2-12, and dated the date of issuance and delivery of the Bonds from time to time, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

As used herein, the term “Beneficial Owner” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories, or other intermediaries).

Section 22. Appointment of Bond Counsel.

The School District hereby appoints and engages Stevens & Lee, P.C., to act as Bond Counsel to the School District in connection with the issuance of the Bonds and to facilitate the intent of this Resolution and the President or Vice President of the Board are each hereby authorized and directed to execute an engagement letter with such counsel.

Section 23. Advertising.

The action of the officers of the School District in advertising a summary of this Resolution, as required by law, is ratified and confirmed. The officers of the School District, or any of them, are authorized and directed to advertise a notice of adoption of this Resolution in a newspaper of general circulation in the School District within 15 days after final adoption. The Secretary of the School District is hereby directed to make a copy of this Resolution available for inspection by any citizen during normal office hours.

Section 24. Mandatory Provisions of Act.

This Resolution is enacted pursuant to the Act, the Pennsylvania School Code of 1949, as amended, and the laws and the Constitution of the Commonwealth of Pennsylvania, and the School District hereby determines and declares that each and every matter and thing provided for herein is necessary and desirable to carry out and effect the public purposes of the School District in accordance with such laws. All of the mandatory provisions of the Act shall apply hereunder whether or not explicitly stated herein and are specifically incorporated herein by reference.

Section 25. Contractual Obligation.

In consideration of the purchase and acceptance of the Bonds authorized to be issued hereunder by those who shall purchase the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the School District and the Holders from time to time of the Bonds; and the covenants and agreements herein set forth to be performed on behalf of the School District shall be for the benefit, protection and security of the Holders from time to time of the Bonds. If the School District shall default in the performance of any of its obligations hereunder, under the Bonds or under the Act, the holders or registered owners of the Bonds shall be entitled to all of the rights and remedies provided by the Act in the event of such default.

Section 26. General Authorization.

The officers and officials of the School District are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effect the execution, issuance, sale and delivery of the Bonds, all in accordance with this Resolution.

Section 27. Invalidity.

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 the School District that the remainder of this Resolution shall remain in full force and effect.

Section 28. Repeal of Inconsistent Resolutions.



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

Section 29. Effectiveness of Resolution.

This Resolution shall be effective in accordance with Section 8003 of the Act.

DULY RESOLVED, THIS 18TH DAY OF MAY, 2020, BY THE BOARD OF SCHOOL DIRECTORS OF CUMBERLAND VALLEY SCHOOL DISTRICT, CUMBERLAND COUNTY, PENNSYLVANIA, IN LAWFUL SESSION DULY ASSEMBLED.

CUMBERLAND VALLEY SCHOOL DISTRICT,  
Cumberland County, Pennsylvania

(SEAL)

By: \_\_\_\_\_  
President

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

**EXHIBIT A**

MAXIMUM DEBT SERVICE SCHEDULE

**CUMBERLAND VALLEY SCHOOL DISTRICT**

SERIES OF 2020

**MAXIMUM PARAMETERS**

*Settled*

7/1/2020

*Dated*

7/1/2020

| 1             | 2                        | 3                     | 4                    | 5                                   | 6  |
|---------------|--------------------------|-----------------------|----------------------|-------------------------------------|--|
| <u>Date</u>   | <u>Max<br/>Principal</u> | <u>Max<br/>Coupon</u> | <u>Interest</u>      | <u>Semi-Annual<br/>Debt Service</u> | <u>Proposed<br/>Fiscal Year<br/>Debt Service</u> |
| 11/15/2020    |                          |                       | 995,694.44           | 995,694.44                          |  |
| 5/15/2021     |                          |                       | 1,337,500.00         | 1,337,500.00                        | 2,333,194.44                                     |
| 11/15/2021    | 400,000                  | 5.000                 | 1,337,500.00         | 1,737,500.00                        |  |
| 5/15/2022     |                          |                       | 1,327,500.00         | 1,327,500.00                        | 3,065,000.00                                     |
| 11/15/2022    | 400,000                  | 5.000                 | 1,327,500.00         | 1,727,500.00                        |  |
| 5/15/2023     |                          |                       | 1,317,500.00         | 1,317,500.00                        | 3,045,000.00                                     |
| 11/15/2023    | 1,350,000                | 5.000                 | 1,317,500.00         | 2,667,500.00                        |  |
| 5/15/2024     |                          |                       | 1,283,750.00         | 1,283,750.00                        | 3,951,250.00                                     |
| 11/15/2024    | 1,375,000                | 5.000                 | 1,283,750.00         | 2,658,750.00                        |  |
| 5/15/2025     |                          |                       | 1,249,375.00         | 1,249,375.00                        | 3,908,125.00                                     |
| 11/15/2025    | 3,245,000                | 5.000                 | 1,249,375.00         | 4,494,375.00                        |  |
| 5/15/2026     |                          |                       | 1,168,250.00         | 1,168,250.00                        | 5,662,625.00                                     |
| 11/15/2026    | 3,300,000                | 5.000                 | 1,168,250.00         | 4,468,250.00                        |  |
| 5/15/2027     |                          |                       | 1,085,750.00         | 1,085,750.00                        | 5,554,000.00                                     |
| 11/15/2027    | 3,365,000                | 5.000                 | 1,085,750.00         | 4,450,750.00                        |  |
| 5/15/2028     |                          |                       | 1,001,625.00         | 1,001,625.00                        | 5,452,375.00                                     |
| 11/15/2028    | 550,000                  | 5.000                 | 1,001,625.00         | 1,551,625.00                        |  |
| 5/15/2029     |                          |                       | 987,875.00           | 987,875.00                          | 2,539,500.00                                     |
| 11/15/2029    | 580,000                  | 5.000                 | 987,875.00           | 1,567,875.00                        |  |
| 5/15/2030     |                          |                       | 973,375.00           | 973,375.00                          | 2,541,250.00                                     |
| 11/15/2030    | 605,000                  | 5.000                 | 973,375.00           | 1,578,375.00                        |  |
| 5/15/2031     |                          |                       | 958,250.00           | 958,250.00                          | 2,536,625.00                                     |
| 11/15/2031    | 640,000                  | 5.000                 | 958,250.00           | 1,598,250.00                        |  |
| 5/15/2032     |                          |                       | 942,250.00           | 942,250.00                          | 2,540,500.00                                     |
| 11/15/2032    | 6,375,000                | 5.000                 | 942,250.00           | 7,317,250.00                        |  |
| 5/15/2033     |                          |                       | 782,875.00           | 782,875.00                          | 8,100,125.00                                     |
| 11/15/2033    | 6,700,000                | 5.000                 | 782,875.00           | 7,482,875.00                        |  |
| 5/15/2034     |                          |                       | 615,375.00           | 615,375.00                          | 8,098,250.00                                     |
| 11/15/2034    | 6,980,000                | 5.000                 | 615,375.00           | 7,595,375.00                        |  |
| 5/15/2035     |                          |                       | 440,875.00           | 440,875.00                          | 8,036,250.00                                     |
| 11/15/2035    | 7,210,000                | 5.000                 | 440,875.00           | 7,650,875.00                        |  |
| 5/15/2036     |                          |                       | 260,625.00           | 260,625.00                          | 7,911,500.00                                     |
| 11/15/2036    | 2,450,000                | 5.000                 | 260,625.00           | 2,710,625.00                        |  |
| 5/15/2037     |                          |                       | 199,375.00           | 199,375.00                          | 2,910,000.00                                     |
| 11/15/2037    | 2,555,000                | 5.000                 | 199,375.00           | 2,754,375.00                        |  |
| 5/15/2038     |                          |                       | 135,500.00           | 135,500.00                          | 2,889,875.00                                     |
| 11/15/2038    | 2,655,000                | 5.000                 | 135,500.00           | 2,790,500.00                        |  |
| 5/15/2039     |                          |                       | 69,125.00            | 69,125.00                           | 2,859,625.00                                     |
| 11/15/2039    | 2,765,000                | 5.000                 | 69,125.00            | 2,834,125.00                        |  |
| 5/15/2040     |                          |                       | 0.00                 | 0.00                                | 2,834,125.00                                     |
| <b>TOTALS</b> | <b>53,500,000</b>        |                       | <b>33,269,194.44</b> | <b>86,769,194.44</b>                | <b>86,769,194.44</b>                             |

**EXHIBIT B**

**BOND FORM**

REGISTERED

REGISTERED

Number \_\_

\*\*\*\$ \_\_\_\_\_ \*\*\*

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”) to the Issuer 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 inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

CUMBERLAND VALLEY SCHOOL DISTRICT  
CUMBERLAND COUNTY, PENNSYLVANIA

GENERAL OBLIGATION BOND, SERIES OF 2020

| <u>INTEREST</u> |                      | <u>DATED DATE OF</u> |              |
|-----------------|----------------------|----------------------|--------------|
| <u>RATE</u>     | <u>MATURITY DATE</u> | <u>SERIES</u>        | <u>CUSIP</u> |
|                 | _____, ____          | _____, 2020          |              |

REGISTERED OWNER      CEDE & CO.

PRINCIPAL AMOUNT      \$ \_\_\_\_\_

CUMBERLAND VALLEY SCHOOL DISTRICT, Cumberland County, Pennsylvania (the “School District”), a school district existing under the laws of the Commonwealth of Pennsylvania (the “Commonwealth”), for value received, hereby acknowledges itself to be indebted and promises to pay to the order of the Registered Owner hereof, or registered assigns, on the maturity date stated hereon (or upon prior redemption, as hereinafter provided), upon presentation and surrender hereof, the Principal Amount shown above and to pay semiannually on May 15 and November 15 of each year prior to maturity or redemption (each an “Interest Payment Date”), beginning \_\_\_\_\_, 202\_, to the registered owner hereof, interest on such principal sum, at the rate per annum stated hereon, from the Interest Payment Date next preceding the date of registration and authentication of this Cumberland Valley School District, Cumberland County, Pennsylvania, General Obligation Bond, Series of 2020 (the “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 such Bond shall bear interest from such

Interest Payment Date, or (c) this Bond is registered and authenticated on or prior to the Record Date preceding \_\_\_\_\_, 202\_, in which event such Bond shall bear interest from \_\_\_\_\_, 2020, or (d) as shown by the records of Manufacturers and Traders Trust Company, as paying agent, at its offices located in Harrisburg, Pennsylvania, or its successor (the "Paying Agent"), interest on such Bond shall be in default, in which event such Bond shall bear interest from the date on which interest was last paid on such Bond. Interest on each Bond is payable by check drawn on the Paying Agent, which shall be mailed to the registered owner whose name and address shall appear, at the close of business on the fifteenth (15th) day (whether or not a business 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 the 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 the 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 owners of Bonds (hereinafter defined) not less than ten (10) 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.

Whenever the due date for payment of interest on or principal of the Bonds or the date fixed for redemption of any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or executive order to remain closed, then payment of such interest, principal, or redemption price need not be made on such date, but may be made on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day upon which banks are authorized by law or executive order to remain closed, with the same force and effect as if made on the due date for payment of principal, interest or redemption price and no interest shall accrue thereon for any period after such due date.

This Bond is one of a series of bonds of the School District known generally as "Cumberland Valley School District, Cumberland County, Pennsylvania, General Obligation Bonds, Series of 2020" dated as of \_\_\_\_\_, 2020 (the "Bonds"), issued by the School District in the aggregate principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_).

The Bonds are in fully registered form, without coupons, and have been authorized and issued in accordance with the Local Government Unit Debt Act of the Commonwealth (the "Act"), without the assent of the electors, pursuant to a resolution (the "Resolution") of the Board of School Directors of the School District duly adopted on May 18, 2020. The terms and provisions of the Resolution are hereby incorporated by reference as if set forth fully herein.

The School District has covenanted in the Resolution that it shall include in its budget the amount of the debt service for each fiscal year of the School District in which principal and/or interest on the Bonds is payable, that it shall appropriate from its general revenues any such sums for the payment of such debt service and that it shall duly and punctually cause to be paid when due principal and interest on the Bonds.

In the Resolution, the School District has covenanted to and with registered owners of the Bonds that it will make no use of the proceeds of the Bonds, or do or suffer any other action, which, if such use or action had been reasonably expected on the date of issuance of the Bonds, would cause the Bonds to be “arbitrage bonds” or “private activity bonds” as those terms are defined in Section 148 and Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”), and the applicable regulations thereunder.

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.

The Bonds maturing on or after \_\_\_\_\_, 20\_\_, shall be subject to redemption, prior to maturity, at the option of the School District, in whole or in part, in any order of maturities, at any time on or after \_\_\_\_\_, at a price equal to 100% of the principal amount of the Bonds to be redeemed and accrued interest thereon to the date fixed for such optional redemption. In the event that less than all Bonds of a particular maturity are to be redeemed, the Bonds of such maturity to be redeemed shall be drawn by lot by the Paying Agent.

The Bonds stated to mature on \_\_\_\_\_, 20\_\_, are subject to mandatory redemption prior to maturity on \_\_\_\_\_ of the years (at a price equal to the principal amount of the Bonds called for mandatory redemption plus accrued interest thereon to the date fixed for such mandatory redemption) and in the principal amounts as set forth in the following schedule, as drawn by lot by the Paying Agent:

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
|-------------|-------------------------|

\*

\_\_\_\_\_  
\* at maturity

In lieu of such mandatory redemption, the Paying Agent, on behalf of the School District, may purchase, from money in the Sinking Fund, or the School District may tender to the Paying Agent, all or part of the Bonds subject to mandatory redemption in any such year.

If any maturity of the Bonds that is subject to mandatory sinking fund redemption shall be called for optional redemption in part, the School District shall be entitled to designate whether the principal amount redeemed is to be credited against the principal amount of the Bonds of such maturity required to be called for mandatory sinking fund redemption or in such order of maturity as shall be directed in writing by the School District, in each case in multiples of \$5,000 principal amount.

If a Bond is of a denomination larger than \$5,000, a portion of such Bond may be redeemed. For the purposes of redemption, such Bond shall be treated as representing that number of Bonds which is obtained by dividing the principal amount thereof by \$5,000, each

\$5,000 portion of such Bond being subject to redemption. In the event of a partial redemption of a Bond, payment of the redemption price shall be made only upon surrender of such Bond in exchange for Bonds of the same series and of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

Any redemption of Bonds shall be upon notice effected by mailing a copy of the redemption notice by first-class mail, postage prepaid, such notice to be sent not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption, addressed to the registered owners of Bonds to be redeemed at their addresses shown on the registration books kept by the Paying Agent (hereinafter defined) as of the date the Bonds are selected for redemption; provided, however, that failure to give such notice by mailing, or any defect therein or in the mailing thereof, shall not affect the validity of any proceeding for redemption of other Bonds called for redemption as to which proper notice has been given.

If at the time of mailing of the notice of redemption the School District shall not have deposited with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Paying Agent no later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal and accrued interest being held by such Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof shall cease to be entitled to any benefit or security under this Resolution, and registered owners of such Bonds shall have no rights with respect to such Bonds, except to receive payment of the principal of and accrued interest on such Bonds to the date fixed for redemption.

If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or by executive order to remain closed, then the payment of such principal and interest upon such redemption need not be made on such date, but may be made on the next succeeding day which is not a Saturday, Sunday, legal holiday or day on which such banking institutions are authorized to remain closed, with the same force and effect as if made on the nominal date of redemption, and no interest shall accrue after such date.

This Bond may be transferred or exchanged by the registered owner hereof only upon surrender of this Bond to the Paying Agent at its principal corporate trust office, accompanied by a written instrument or instruments of transfer 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 maintained by the Paying Agent and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of the same series and of authorized denominations of the same maturity and form for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. 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 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. All payments made to the registered owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the School District upon the Bond as paid.

The School District and the Paying Agent shall not be required: (i) 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 on which the applicable notice of redemption is given, or (ii) to register the transfer of or exchange any portion of any Bond selected for redemption, in whole or in part until after the date fixed for redemption. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity and interest rate.

The School District has caused CUSIP numbers to be printed on the Bonds as a convenience to bondholders. No representation is made as to the accuracy of such numbers as printed on the Bonds.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Resolution, against any member, officer or employee, past, present, or future, of the School District or of any successor body, as such, either directly or through the School District or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

It is hereby certified that the approval of the Department of Community and Economic Development of the Commonwealth for the School District to issue and deliver this Bond has been duly given pursuant to the Act; that all acts, conditions and things required by the laws of the Commonwealth to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond, together with all other indebtedness of the School District is within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth; that the School District has established with the Paying Agent, as Sinking Fund Depository, a sinking fund for the Bonds and shall deposit therein amounts sufficient to pay the principal of and interest on the Bonds as the same shall become due and payable; and that for the prompt and full payment of all obligations of this Bond, the full faith, credit and taxing power of the School District are hereby irrevocably pledged.

#### STATEMENT OF INSURANCE

TO BE PROVIDED UPON SELECTION OF BOND INSURER

IN WITNESS WHEREOF, Cumberland Valley School District, Cumberland County, Pennsylvania, has caused this Bond to be signed in its name and on its behalf by the signature of the President of the Board of School Directors of the School District and its corporate seal to be hereunder affixed, duly attested by the signature of the Secretary of the School District, as of the \_\_\_\_ day of \_\_\_\_\_, 2020.

CUMBERLAND VALLEY SCHOOL DISTRICT,  
Cumberland County, Pennsylvania

By: \_\_\_\_\_  
President

(SEAL)

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

(FORM OF PAYING AGENT'S CERTIFICATE)

CERTIFICATE OF AUTHENTICATION

It is certified that this Bond is a Bond issued under the provisions of the within-mentioned Resolution.

\_\_\_\_\_, as Paying  
Agent

By \_\_\_\_\_  
Authorized Officer

Date of Authentication: \_\_\_\_\_, 2020

**(FORM OF ASSIGNMENT)**

**ASSIGNMENT**

FOR VALUE RECEIVED, \_\_\_\_\_ (the "Transferror"), the undersigned, hereby sells, assigns and transfers unto

\_\_\_\_\_  
Name (the "Transferee")

\_\_\_\_\_  
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 Guaranteed:

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by an approved eligible guarantor institution, an institution which is a participant in a Securities Transfer Association recognized signature guarantee program.

\_\_\_\_\_  
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) as it appears 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 should be supplied.

(END OF BOND FORM)