

BERKELEY COUNTY PUBLIC SERVICE DISTRICT

(WEST VIRGINIA)

**SEWER REFUNDING REVENUE BONDS, SERIES 2013 C
(BANK QUALIFIED)**

CONFORMED BOND RESOLUTION

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CONFORMED BOND RESOLUTION

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

A RESOLUTION AUTHORIZING THE REFUNDING OF THE SEWER REFUNDING REVENUE BONDS, SERIES 2006 A (BANK-QUALIFIED) AND SEWER REFUNDING REVENUE BONDS, SERIES 2006 B (NON BANK-QUALIFIED) OF BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2013 C (BANK QUALIFIED), OF THE DISTRICT IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$3,750,000, THE PROCEEDS OF WHICH SHALL BE EXPENDED TO REFUND THE SERIES 2006 BONDS AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

WHEREAS, Berkeley County Public Service Sewer District (the "Issuer") is a public service district and a public corporation and political subdivision of the State of West Virginia in Berkeley County of said State;

WHEREAS, the Issuer presently owns and operates a public sewerage collection and treatment system (the "System") in Berkeley County;

WHEREAS, the Issuer is advised that present value debt service savings will be realized as a result of the refunding of certain outstanding bonds of the Issuer, specifically the Issuer's: (i) Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,790,000 is currently outstanding (the "Series 2006 A Bonds"); and (ii) Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds");

WHEREAS, the Series 2006 Bonds were issued pursuant to a resolution of the Issuer duly adopted on July 19, 2006, as supplemented by a supplemental parameters resolution duly adopted by the Issuer on July 19, 2006 and a second supplemental resolution duly adopted by the Issuer on October 17, 2006 (collectively, the "2006 Resolution");

WHEREAS, under the provisions of Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), the Issuer is authorized and empowered to issue refunding revenue bonds for the purpose of retiring or refinancing all or any part of the outstanding Series 2006 Bonds;

WHEREAS, the Issuer has determined and hereby determines that it would therefore be to the benefit of the Issuer and its customers to refund the Series 2006 Bonds, and to pay costs

in connection therewith, in the manner set forth herein, with proceeds of the Issuer's Sewer Refunding Revenue Bonds, Series 2013 C (Bank Qualified) in one or more series, issued on one or more dates (the "Series 2013 C Bonds"), in the maximum aggregate principal amount of not more than \$3,750,000, and other monies of the Issuer;

WHEREAS, upon refunding the Series 2006 Bonds, there are outstanding obligations of the Issuer which will rank on a parity with the Series 2013 C Bonds as to liens, pledge and source of and security for payment, being the Issuer's:

(1) Sewer Revenue Bonds, Series 1986 B (West Virginia Water Development Authority), dated March 7, 1986, issued in the original aggregate principal amount of \$1,638,194 (the "Series 1986 B Bonds");

(2) Sewer Revenue Bonds, Series 1990 A (West Virginia Water Development Authority), dated May 3, 1990, issued in the original aggregate principal amount of \$828,629 (the "Series 1990 A Bonds");

(3) Sewer Revenue Bonds, Series 1994 A (West Virginia Water Development Authority), dated October 5, 1994, issued in the original aggregate principal amount of \$494,288 (the "Series 1994 A Bonds");

(4) Sewer Revenue Bonds, Series 1994 C (West Virginia SRF Program), dated November 17, 1994, issued in the original aggregate principal amount of \$2,772,879 (the "Series 1994 C Bonds");

(5) Sewer Revenue Bonds, Series 1995 A (West Virginia SRF Program), dated February 9, 1995, issued in the original aggregate principal amount of \$3,837,640 (the "Series 1995 A Bonds");

(6) Sewer Revenue Bonds, Series 1995 B (West Virginia SRF Program), dated December 29, 1995, issued in the original aggregate principal amount of \$2,138,506 (the "Series 1995 B Bonds");

(7) Sewer Revenue Bonds, Series 1996 A (West Virginia SRF Program), dated February 13, 1996, issued in the original aggregate principal amount of \$319,902 (the "Series 1996 A Bonds");

(8) Sewer Revenue Bonds, Series 1996 B (West Virginia SRF Program), dated May 1, 1996, issued in the original aggregate principal amount of \$2,628,633 (the "Series 1996 B Bonds");

(9) Sewer Revenue Bonds, Series 1996 C (West Virginia SRF Program), dated May 1, 1996, issued in the original aggregate principal amount of \$837,579 (the "Series 1996 C Bonds");

(10) Sewer Revenue Bonds, Series 1997 A (West Virginia SRF Program), dated June 12, 1997, issued in the original aggregate principal amount of \$148,000 (the "Series 1997 A Bonds");

(11) Sewer Revenue Bonds, Series 1997 B (West Virginia SRF Program), dated December 11, 1997, issued in the original aggregate principal amount of \$1,250,000 (the "Series 1997 B Bonds");

(12) Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), dated October 28, 1999, issued in the original aggregate principal amount of \$30,707,296 (the "Series 1999 A Bonds");

(13) Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated May 25, 2000, issued in the original aggregate principal amount of \$937,500 (the "Series 2000 A Bonds");

(14) Sewer Revenue Bonds, Series 2001 A (West Virginia Infrastructure Fund), dated March 30, 2001, issued in the original aggregate principal amount of \$429,000 (the "Series 2001 A Bonds");

(15) Sewer Revenue Bonds, Series 2001 B (West Virginia SRF Program), dated August 7, 2001, issued in the original aggregate principal amount of \$2,909,850 (the "Series 2001 B Bonds");

(16) Sewer Revenue Bonds, Series 2002 A (West Virginia SRF Program), dated May 9, 2002, issued in the original aggregate principal amount of \$750,000 (the "Series 2002 A Bonds");

(17) Sewer Revenue Bonds, Series 2002 B (West Virginia SRF Program), dated July 11, 2002, issued in the original aggregate principal amount of \$456,548 (the "Series 2002 B Bonds");

(18) Sewer Revenue Bonds, Series 2002 C (West Virginia SRF Program), dated August 28, 2002, issued in the original aggregate principal amount of \$30,500,000 (the "Series 2002 C Bonds");

(19) Sewer Revenue Bonds, Series 2002 D (West Virginia Water Development Authority), dated August 28, 2002, issued in the original aggregate principal amount of \$4,965,465 (the "Series 2002 D Bonds");

(20) Sewer Revenue Bonds, Series 2002 E (West Virginia Water Development Authority), dated August 28, 2002, issued in the original aggregate principal amount of \$560,822 (the "Series 2002 E Bonds");

(21) Sewer Revenue Bonds, Series 2003 A (West Virginia SRF Program), dated August 14, 2003, issued in the original aggregate principal amount of \$252,922 (the "Series 2003 A Bonds");

(22) Sewer Revenue Bonds, Series 2003 B (West Virginia SRF Program), dated August 14, 2003, issued in the original aggregate principal amount of \$330,862 (the "Series 2003 B Bonds");

(23) Sewer Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), dated November 30, 2004, issued in the original aggregate principal amount of \$1,999,600 (the "Series 2004 A Bonds");

(24) Sewer Revenue Bonds, Series 2007 A (Bank Qualified), dated March 1, 2007, delivered March 6, 2007, issued in the original aggregate principal amount of \$3,970,000 (the "Series 2007 A Bonds");

(25) Sewer Revenue Bonds, Series 2007 B (United States Department of Agriculture), dated March 6, 2007, issued in the original aggregate principal amount of \$9,000,000 (the "Series 2007 B Bonds");

(26) Sewer Revenue Bonds, Series 2007 C (United States Department of Agriculture), dated March 6, 2007, issued in the original aggregate principal amount of \$9,000,000 (the "Series 2007 C Bonds");

(27) Sewer Revenue Bonds, Series 2007 D (United States Department of Agriculture), dated March 6, 2007, issued in the original aggregate principal amount of \$7,104,000 (the "Series 2007 D Bonds");

(28) Sewer Revenue Bonds, Series 2007 E (United States Department of Agriculture), dated March 6, 2007, issued in the original aggregate principal amount of \$500,000 (the "Series 2007 E Bonds");

(29) Sewer Revenue Bonds, Series 2007 F (United States Department of Agriculture), dated March 6, 2007, issued in the original aggregate principal amount of \$4,999,900 (the "Series 2007 F Bonds");

(30) Sewer Revenue Bonds, Series 2009 A, dated July 31, 2009, issued in the original aggregate principal amount of \$2,695,000 (the "Series 2009 A Bonds"); and

(31) Sewer Revenue Bonds, Series 2009 B (West Virginia Infrastructure Fund), dated July 31, 2009, issued in the original aggregate principal amount of \$1,000,000 (the "Series 2009 B Bonds");

(32) Sewer Refunding Revenue Bonds, Series 2013 A (Bank Qualified), dated August 22, 2013, issued in the original aggregate principal amount of \$9,615,000 (the "Series 2013 A Bonds"); and

(33) Sewer Refunding Revenue Bonds, Series 2013 B (Taxable), dated August 22, 2013, issued in the original aggregate principal amount of \$1,950,000 (the "Series 2013 B Bonds");

and there are outstanding obligations of the Issuer which will be subordinate to the Series 2013 C Bonds as to liens, pledge and source of and security for payment, being the Issuer's:

(1) Sewer Revenue Bonds, Series 1990 B (West Virginia Water Development Authority), dated May 3, 1990, issued in the original aggregate principal amount of \$38,669 (the "Series 1990 B Bonds").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, the Series 2013 A Bonds and the Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Issuer intends to issue up to \$2,200,000 in Sewer Revenue Bonds, Series 2013 D (the "Series 2013 D Bonds") to finance pretreatment facilities at the Ecolab site. The Issuer intends to issue the Series 2013 D Bonds on or about December 1, 2013.

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

WHEREAS, the Issuer now desires to authorize the refunding of the Series 2006 Bonds as aforesaid, and to provide for the financing thereof by the issuance of the Series 2013 C Bonds as hereinafter provided;

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT:

ARTICLE I

DEFINITIONS; STATUTORY AUTHORITY; FINDINGS

Section 1.01. Definitions. All capitalized terms used in this Resolution and not otherwise defined in the recitals or in the text hereof shall have the meanings specified below, unless the context expressly requires otherwise:

"Act" means Chapter 16, Article 13A of the West Virginia Code of 1931, as amended and in effect on the date of delivery of the Series 2013 C Bonds.

"Authorized Newspaper" means a financial journal or newspaper of general circulation in the City of New York, New York, printed in the English language and customarily published on each business day of the Registrar, whether or not published on Saturdays, Sundays or legal holidays, and so long as so published, shall include The Bond Buyer.

“Authorized Officer” means the Chairman of the Governing Body of the Issuer or any Acting Chairman duly selected by the Governing Body.

“Bond Commission” means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia which succeeds to the functions of the Bond Commission.

“Bond Counsel” shall mean any law firm having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds, appointed by the Issuer, and shall initially mean Steptoe & Johnson PLLC, Charleston, West Virginia.

“Bondholder,” “Holder of the Bonds,” “Owner of the Bonds” or any similar term means any person who shall be the registered owner of any outstanding Bond.

“Bond Resolution” or “Resolution” means this Resolution and all orders and resolutions supplemental hereto or amendatory hereof.

“Bond Register” means the books of the Issuer maintained by the Registrar for the registration and transfer of Bonds.

“Bond Year” means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, or such other period as shall be determined by the Issuer, except that the first Bond Year shall begin on the Closing Date.

“Bonds” means, the Series 2013 C Bonds, the First Lien Bonds, and the Second Lien Bonds and any additional parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

“Business Day” means any day other than a Saturday, Sunday or a day on which national banking associations or West Virginia banking corporations are authorized by law to remain closed.

“Certificate of Authentication and Registration” means the Certificate of Authentication and Registration on the Series 2013 C Bonds, in substantially the form set forth in EXHIBIT A – FORM OF SERIES 2013 C BONDS, attached hereto.

“Chairman” means the Chairman of the Governing Body of the Issuer.

“Closing Date” means the date upon which there is an exchange of the Series 2013 C Bonds for the proceeds representing the respective original purchase prices thereof.

“Code” shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, and Regulations thereunder.

“Consulting Engineers” means any qualified engineer or engineers or firm or firms of engineers that shall at any time now or hereafter be retained by the Issuer as Consulting Engineers for the System, or portion thereof.

“Costs” or similar terms means all those costs now or hereafter permitted by the Act to be financed with bonds issued pursuant hereto, including, without limitation, the costs of refunding the Series 2006 Bonds (specifically including, but not limited to, the Redemption Price of the Series 2006 Bonds), interest accruing or to accrue thereon, redemption premiums, premiums for bond insurance and reserve account insurance, letter of credit fees, expenses for fiscal or other agents, legal expenses and any other costs or expenses necessary, incidental, desirable or appurtenant to the issuance of the Series 2013 C Bonds and the refunding of the Series 2006 Bonds.

“Costs of Issuance Fund” means the Costs of Issuance Fund created by Section 4.01 hereof.

“Depository Bank” means the bank or banks to be designated as such in the Supplemental Resolution, and any other bank or national banking association located in the State of West Virginia, eligible under the laws of the State of West Virginia to receive deposits of state and municipal funds and insured by the FDIC that may hereafter be appointed by the Issuer as Depository Bank.

“DTC” means the Depository Trust Company, New York, New York, or its successor thereof.

“DTC-eligible” means, with respect to the Series 2013 C Bonds, meeting the qualifications prescribed by the Depository Trust Company, New York, New York.

“Event of Default” means any occurrence or event specified in Section 7.01.

“FDIC” means the Federal Deposit Insurance Corporation or any successor to the functions of the FDIC.

“First Lien Bonds” means collectively, the Series 1986 B Bonds, (Series 1990 A Bonds, Series 1994 A Bonds, Series 1994 C Bonds, Series 1995 A Bonds, Series 1995 B Bonds, Series 1996 A Bonds, Series 1996 B Bonds, Series 1996 C Bonds, Series 1997 A Bonds, Series 1997 B Bonds, Series 1999 A Bonds, Series 2000 A Bonds, Series 2001 A Bonds, Series 2001 B Bonds, Series 2002 A Bonds, Series 2002 B Bonds, Series 2002 C Bonds, Series 2002 D Bonds, Series 2002 E Bonds, Series 2003 A Bonds, Series 2003 B Bonds, Series 2004 A Bonds, Series 2007 A Bonds, Series 2007 B Bonds, Series 2007 C Bonds, Series 2007 D Bonds, Series 2007 E Bonds, Series 2007 F Bonds, Series 2009 A Bonds, Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds).

“First Lien State Bonds” means collectively, the Series 1986 B Bonds, Series 1990 A Bonds, Series 1994 A Bonds, Series 1994 C Bonds, Series 1995 A Bonds, Series 1995 B Bonds, Series 1996 A Bonds, Series 1996 B Bonds, Series 1996 C Bonds, Series 1997 A Bonds, Series 1997 B Bonds, Series 1999 A Bonds, Series 2000 A Bonds, Series 2001 A Bonds, Series 2001 B Bonds, Series 2002 A Bonds, Series 2002 B Bonds, Series 2002 C

Bonds, Series 2002 D Bonds, Series 2002 E Bonds, Series 2003 A Bonds, Series 2003 B Bonds, Series 2004 A Bonds and Series 2009 B Bonds.

“Fiscal Year” means each 12-month period beginning on July 1 and ending on the succeeding June 30.

“Governing Body” or “Board” means the public service board of the Issuer, as it may now or hereafter be constituted.

“Government Obligations” means direct obligations of, or obligations the timely payment of the principal of and interest on which is guaranteed by, the United States of America.

“Gross Revenues” means the aggregate gross operating and non-operating revenues of the System, as hereinafter defined, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts; provided, that “Gross Revenues” does not include any gains from the sale or other disposition of, or from any increase in the value of, capital assets (including Qualified Investments, as hereinafter defined), or any Tap Fees, as hereinafter defined.

“Independent Certified Public Accountant” means any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the System or for any purpose except keeping the accounts of the System in the normal operation of its business and affairs.

“Issuer” means Berkeley County Public Service Sewer District, a public service district and public corporation and political subdivision of the State of West Virginia, in Berkeley County of said State, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

“Net Proceeds” means the face amount of the Series 2013 C Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds deposited in the Series 2013 C Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2013 C Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

“Net Revenues” means the balance of the Gross Revenues, remaining after deduction of Operating Expenses, as hereinafter defined.

“Nonpurpose Investment” means any investment property which is acquired with the gross proceeds of the Series 2013 C Bonds and is not acquired in order to carry out the governmental purpose of the Series 2013 C Bonds.

“Operating Expenses” means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the costs, fees and expenses of the Authority, fiscal agents, the Depository

Bank, the Registrar and the Paying Agent (all as herein defined), other than those capitalized as part of the costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Operation and Maintenance Fund" means the Operation and Maintenance Fund created by the Prior Resolutions and continued hereby.

"Original Purchaser" means Crews & Associates, Inc., Charleston, West Virginia, as the purchaser of the Series 2013 C Bonds directly from the Issuer, or, if the Issuer and such Original Purchaser do not agree to the purchase of the Series 2013 C Bonds with interest rates and other terms allowable under the Act, such other person or persons, firm or firms, bank or banks, corporation or corporations or such other entity or entities as shall purchase the Series 2013 C Bonds directly from the Issuer, as determined by a resolution supplemental hereto; provided, that the Original Purchaser and the Issuer shall agree to the purchase of the Series 2013 C Bonds, including the exact principal amount thereof and interest rate or rates thereon as fixed by said supplemental resolution to be adopted by the Issuer at the time of approval of such sale of said Series 2013 C Bonds.

"Outstanding," when used with reference to the Series 2013 C Bonds and as of any particular date, describes all Bonds theretofore and thereupon being issued and delivered except (a) any Bond canceled by the registrar for such Bond at or prior to said date; (b) any Bond for the payment of which monies, equal to its principal amount, with interest to the date of maturity, shall be held in trust under this Resolution and set aside for such payment (whether upon or prior to maturity); (c) any Bond deemed to have been paid as provided by Section 9.01; and (d) with respect to determining the number or percentage of Bondholders or Bonds for the purpose of consents, notices and the like, any Bond registered to the Issuer. Notwithstanding the foregoing, in the event that a Bond Insurer has paid principal of and/or interest on any Bond, such Bond shall be deemed to be Outstanding until such time as a Bond Insurer has been reimbursed in full.

"Paying Agent" means the Registrar or other entity designated as such for the Series 2013 C Bonds in the Supplemental Resolution, and any successor thereto appointed in accordance with Section 8.12 hereof.

"Prior Bonds" means collectively, the Series 1986 B Bonds, Series 1990 A Bonds, Series 1990 B Bonds, Series 1994 A Bonds, Series 1994 C Bonds, Series 1995 A Bonds, Series 1995 B Bonds, Series 1996 A Bonds, Series 1996 B Bonds, Series 1996 C Bonds, Series 1997 A Bonds, Series 1997 B Bonds, Series 1999 A Bonds, Series 2000 A Bonds, Series 2001 A Bonds, Series 2001 B Bonds, Series 2002 A Bonds, Series 2002 B Bonds, Series 2002 C Bonds, Series 2002 D Bonds, Series 2002 E Bonds, Series 2003 A Bonds, Series 2003 B Bonds, Series 2004 A Bonds, Series 2007 A Bonds, Series 2007 B Bonds, Series 2007 C Bonds, Series 2007 D Bonds, Series 2007 E Bonds, Series 2007 F Bonds, Series 2009 A Bonds, Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds.

“Prior Resolutions” means, collectively, the resolutions of the Issuer, as supplemented, authorizing the Prior Bonds.

“Private Business Use” means use directly or indirectly in a trade or business carried on by a natural person, including all persons “related” to such person within the meaning of Section 144(a)(3) of the Code, or in any activity carried on by a person other than a natural person, including all persons “related” to such person within the meaning of Section 144(a)(3) of the Code, excluding, however, use by a state or local governmental unit and use as a member of the general public. All of the foregoing shall be determined in accordance with the Code, including, without limitation, giving due regard to “incidental use,” if any, of the proceeds of the issue and/or proceeds used for “qualified improvements,” if any.

“Qualified Investments” means and includes any of the following, unless otherwise set forth in the Supplemental Resolution:

- (a) Government Obligations;
- (b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;
- (c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;
- (d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;
- (e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

(f) Money market funds or similar funds whose only assets are investments of the type described in paragraphs (a) through (e) above;

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefor; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

(h) The West Virginia “consolidated fund” managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the West Virginia Code of 1931, as amended; and

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is exempt from federal income taxation, and which are rated at least “A” by Moody’s Investors Service, Inc. or Standard & Poor’s Corporation.

“Rebate Fund” means the Rebate Fund created by Section 4.01 hereof.

“Record Date” means the day of the month which shall be so stated in the Series 2013 C Bonds, regardless of whether such day is a Saturday, Sunday or legal holiday.

“Redemption Date” means the date fixed for redemption of any Bonds of the Issuer called for redemption.

“Redemption Price” means the price at which any Bonds of the Issuer may be called for redemption and includes the principal of and interest on such Bonds to be redeemed, plus the interest and premium, if any, required to be paid to effect such redemption.

“Registrar” means the bank to be designated in the Supplemental Resolution as the Registrar for the Series 2013 C Bonds, and any successor thereto appointed in accordance with Section 8.08 hereof.

“Regulations” means temporary and permanent regulations promulgated under the Code, and includes applicable regulations promulgated under the Internal Revenue Code of 1954.

“Renewal and Replacement Fund” means the Renewal and Replacement Fund created by the Prior Resolutions and continued hereby.

“Reserve Accounts” means the Series 2013 C Bonds Reserve Account and the reserve accounts established for Prior Bonds.

“Resolution” or "Bond Resolution" means this Resolution and all orders and resolutions supplemental hereto or amendatory hereof.

“Revenue Fund” means the Revenue Fund created by the Prior Resolutions and continued hereby.

“RUS Bonds” means the Series 2007 B Bonds, Series 2007 C Bonds, Series 2007 D Bonds, Series 2007 E Bonds, and Series 2007 F Bonds.

“Second Lien Bonds” means the Series 1990 B Bonds.

“Secretary” means the Secretary of the Governing Body of the Issuer.

“Series 1986 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1986 B (West Virginia Water Development Authority), dated March 7, 1986, issued in the original aggregate principal amount of \$1,638,194.

“Series 1990 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1990 A (West Virginia Water Development Authority), dated May 3, 1990, issued in the original aggregate principal amount of \$828,629.

“Series 1990 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1990 B (West Virginia Water Development Authority), dated May 3, 1990, issued in the original aggregate principal amount of \$38,669.

“Series 1994 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1994 A (West Virginia Water Development Authority), dated October 5, 1994, issued in the original aggregate principal amount of \$494,288.

“Series 1994 C Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1994 C (West Virginia SRF Program), dated November 17, 1994, issued in the original aggregate principal amount of \$2,772,879.

“Series 1995 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1995 A (West Virginia SRF Program), dated February 9, 1995, issued in the original aggregate principal amount of \$3,837,640.

“Series 1995 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1995 B (West Virginia SRF Program), dated December 29, 1995, issued in the original aggregate principal amount of \$2,138,506.

“Series 1996 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1996 A (West Virginia SRF Program), dated February 13, 1996, issued in the original aggregate principal amount of \$319,902.

“Series 1996 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1996 B (West Virginia SRF Program), dated May 1, 1996, issued in the original aggregate principal amount of \$2,628,633.

“Series 1996 C Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1996 C (West Virginia SRF Program), dated May 1, 1996, issued in the original aggregate principal amount of \$837,579.

“Series 1997 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1997 A (West Virginia SRF Program), dated June 12, 1997, issued in the original aggregate principal amount of \$148,000.

“Series 1997 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1997 B (West Virginia SRF Program), dated December 11, 1997, issued in the original aggregate principal amount of \$1,250,000.

“Series 1999 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), dated October 28, 1999, issued in the original aggregate principal amount of \$30,707,296.

“Series 2000 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated May 25, 2000, issued in the original aggregate principal amount of \$937,500.

“Series 2001 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2001 A (West Virginia Infrastructure Fund), dated March 30, 2001, issued in the original aggregate principal amount of \$429,000

“Series 2001 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2001 B (West Virginia SRF Program), dated August 7, 2001, issued in the original aggregate principal amount of \$2,909,850.

“Series 2002 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2002 A (West Virginia SRF Program), dated May 9, 2002, issued in the original aggregate principal amount of \$750,000.

“Series 2002 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2002 B (West Virginia SRF Program), dated July 11, 2002, issued in the original aggregate principal amount of \$456,548.

“Series 2002 C Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2002 C (West Virginia SRF Program), dated August 28, 2002, issued in the original aggregate principal amount of \$30,500,000.

“Series 2002 D Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2002 D (West Virginia Water Development Authority), dated August 28, 2002, issued in the original aggregate principal amount of \$4,965,465.

“Series 2002 E Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2002 E (West Virginia Water Development Authority), dated August 28, 2002, issued in the original aggregate principal amount of \$560,822.

“Series 2003 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2003 A (West Virginia SRF Program), dated August 14, 2003, issued in the original aggregate principal amount of \$252,922.

“Series 2003 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2003 B (West Virginia SRF Program), dated August 14, 2003, issued in the original aggregate principal amount of \$330,862.

“Series 2004 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), dated November 30, 2004, issued in the original aggregate principal amount of \$1,999,600.

"Series 2006 Bonds" means collectively, the Series 2006 A Bonds and Series 2006 B Bonds.

“Series 2006 A Bonds” means the Issuer’s Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, delivered October 19, 2006, issued in the original aggregate principal amount of \$3,665,000.

“Series 2006 B Bonds” means the Issuer’s Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, delivered October 19, 2006, issued in the original aggregate principal amount of \$240,000.

“Series 2007 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2007 A (Bank Qualified), dated March 1, 2007, delivered March 6, 2007, issued in the original aggregate principal amount of \$3,970,000.

“Series 2007 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2007 B (United States Department of Agriculture), dated March 6, 2007, issued in the original aggregate principal amount of \$9,000,000.

“Series 2007 C Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2007 C (United States Department of Agriculture), dated March 6, 2007, issued in the original aggregate principal amount of \$9,000,000.

“Series 2007 D Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2007 D (United States Department of Agriculture), dated March 6, 2007, issued in the original aggregate principal amount of \$7,104,000.

“Series 2007 E Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2007 E (United States Department of Agriculture), dated March 6, 2007, issued in the original aggregate principal amount of \$500,000.

“Series 2007 F Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2007 F (United States Department of Agriculture), dated March 6, 2007, issued in the original aggregate principal amount of \$4,999,900.

“Series 2009 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2009 A, dated July 31, 2009 issued in the aggregate principal amount of \$2,695,000.

“Series 2009 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2009 B (West Virginia Infrastructure Fund), dated July 31, 2009, issued in the original aggregate principal amount of \$1,000,000.

"Series 2013 A Bonds" means the Issuer's Sewer Refunding Revenue Bonds, Series 2013 A (Bank Qualified), dated August 22, 2013, issued in the original aggregate principal amount of \$9,615,000.

"Series 2013 B Bonds" means the Issuer's Sewer Refunding Revenue Bonds, Series 2013 B (Taxable), dated August 22, 2013, issued in the original aggregate principal amount of \$1,950,000.

“Series 2013 D Bonds” means the Sewer Revenue Bonds, Series 2013 D, in one or more series, to be issued on one or more dates, of the Issuer, to finance pretreatment facilities at the Ecolab site.

“Series 2013 C Bonds Reserve Account” means the Series 2013 C Bonds Reserve Account created by Section 4.02 hereof.

“Series 2013 C Bonds Reserve Requirement” means, as of any date of calculation, the lesser of (i) 10% of the original stated principal amount of the Series 2013 C Bonds; (ii) the maximum amount of principal and interest which will become due on the Series 2013 C in any year; or (iii) 125% of the average amount of principal and interest which will become due on the Series 2013 C Bonds.

“Series 2013 C Bonds” means the Sewer Refunding Revenue Bonds, Series 2013 C Bonds (Bank Qualified), in one or more series, issued on one or more dates, of the Issuer, originally authorized to be issued pursuant to this Resolution.

“Series 2013 C Bonds Redemption Account” means the Series 2013 C Bonds Redemption Account created by Section 4.02 hereof.

“Series 2013 C Bonds Sinking Fund” means the Series 2013 C Bonds Sinking Fund created by Section 4.02 hereof.

“Sinking Funds” means, collectively, the respective Sinking Funds established for the Series 2013 C Bonds and the Prior Bonds.

“State” means the State of West Virginia.

“Supplemental Resolution” means any resolution amendatory hereof or supplemental hereto and, when preceded by the article “the,” refers specifically to the Supplemental Resolution to be adopted by the Issuer following adoption of this Resolution, setting forth the final amounts, maturities, interest rates and other terms of the Series 2013 C Bonds and authorizing the sale of the Series 2013 C Bonds to the Original Purchaser and setting forth provisions specific to the Bond Insurer, if any; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

“Surplus Revenues” means the Net Revenues not required by this Resolution to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund, the Sinking Funds and the Reserve Accounts.

“System” means the complete public sewerage system of the Issuer, as presently existing in its entirety or any integral part thereof, and all sewerage facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the system, and shall include any additions, improvements and extensions thereto hereafter constructed or acquired for the System from any sources whatsoever.

“Term Bonds” means Bonds subject to mandatory sinking fund redemption, as described by Section 3.06 hereof.

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations and vice versa; and words importing the masculine gender shall include the feminine and neuter genders and vice versa; and any requirement for execution or attestation of the Bond or any certificate or other document by the Chairman or the Secretary shall mean that such Bond, certificate or other document may be executed or attested by an Acting Chairman or Acting Secretary.

Additional terms and phrases are defined in this Resolution as they are used. Accounting terms not specifically defined herein shall be given meaning in accordance with generally accepted accounting principles.

The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof” and any similar terms refer to this Resolution; and the term “hereafter” means after the date of adoption of this Resolution.

Articles, sections and subsections mentioned by number only are the respective articles, sections and subsections of this Resolution so numbered.

Section 1.02. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Act and other applicable provisions of law.

Section 1.03. Findings. The Governing Body hereby finds and determines as follows:

A. The Issuer intends to refund the Series 2006 Bonds in their entirety, and pay costs in connection therewith, with proceeds of the Series 2013 C Bonds and other funds of the Issuer, to issue the Series 2013 C Bonds and to pledge the Net Revenues of the System for payment thereof on a parity with one another and with the First Lien Bonds and senior and prior to the Second Lien Bonds.

B. The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds, and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2013 C Bonds, the Issuer will obtain (i) a certificate of an independent Certified Public Accountant stating that the coverage and parity tests of the First Lien Bonds are met; (ii) the written consent of the Holders of the First Lien State Bonds and the RUS Bonds to the issuance of the Series 2013 C Bonds on a parity with the First Lien State Bonds and the RUS Bonds; and (iii) the written consent of the Holders of the Second Lien Bonds the issuance of the Series 2013 C Bonds on a senior and prior basis to the Second Lien Bonds. The Series 2007 A Bonds, Series 2009 A Bonds, Series 2013 A Bonds and Series 2013 B Bonds do not require written bondholder consent. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenue or assets of the System. The Issuer is in compliance with the covenants of the Prior Bonds and the Prior Resolutions.

C. The estimated revenues to be derived in each year from the operation of the System after the refunding and defeasance of the Series 2006 Bonds will be sufficient to pay all Operating Expenses of the System and the principal of and interest on the Series 2013 C Bonds and the Prior Bonds and to make all other payments provided for in this Resolution.

D. Based upon the assumed principal amount, maturity schedule and interest rates for the Series 2013 C Bonds presented to the Issuer by the Original Purchaser, and after making allowance for the use of other funds of the Issuer, the Series 2013 C Bonds show a net present value debt service savings to the Issuer after deducting all expenses of the refunding of the Series 2006 Bonds and the costs of issuing the Series 2013 C Bonds.

E. The Issuer shall not sell the Series 2013 C Bonds without setting forth in the Supplemental Resolution the determination set forth in paragraph D above, based upon the actual principal amount, maturity schedule and interest rates for the Series 2013 C Bonds, and the Issuer shall not issue the Series 2013 C Bonds without having obtained from an Independent Certified Public Accountant a certification that the amount of savings stated to be achieved by the refunding shall in fact be saved, based upon their review, comparison and analysis of the net interest cost in dollars of the Series 2013 C Bonds and the net interest cost in dollars of the Series 2006 Bonds.

F. Subject to the determination and certification required by paragraph E above, it is in the best interests of the Issuer, and the customers thereof, that the Issuer issue the Series 2013 C Bonds and secure the Series 2013 C Bonds by a pledge and assignment of the Net Revenues derived from the operation of the System, the monies in the Series 2013 C Bonds Sinking Fund and the Series 2013 C Bonds Reserve Account, unexpended proceeds of the Series 2013 C Bonds and as further set forth herein.

G. The Series 2013 C Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the forms set forth in EXHIBIT A – FORM OF SERIES 2013 C BONDS attached hereto and incorporated herein by reference, with necessary and appropriate variations, omissions and insertions as permitted or required by this Resolution or a Supplemental Resolution or as deemed necessary by the Registrar or the Issuer.

H. All things necessary to make the Series 2013 C Bonds, when authenticated by the Registrar and issued as in this Resolution provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the Series 2013 C Bonds, will be timely done and duly performed.

I. The adoption of this Resolution, and the execution and issuance of the Series 2013 C Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected. In consideration of the acceptance of the Series 2013 C Bonds by those who shall own or hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of such Bondholders of any and all of such Series 2013 C Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF REFUNDING

Section 2.01. Authorization of Refunding of Series 2006 Bonds. All Series 2006 Bonds Outstanding as of the date of issuance of the Series 2013 C Bonds are hereby ordered to be refunded, and the pledge of Net Revenues in favor of the Holders of the Series 2006 Bonds imposed by the resolution authorizing the issuance thereof, the monies in the funds and accounts pledged to payment of the Series 2006 Bonds, and any other funds pledged to repayment of the Series 2006 Bonds are hereby ordered terminated, discharged and released upon the payment to the Bond Commission for deposit in the Series 2006 Bonds Sinking Fund from the proceeds of the Series 2013 C Bonds and from other monies available therefor, of the following: (a) an amount equal to the fiscal and paying agent charges to become due and payable in connection with the Series 2006 Bonds; and (b) an amount which will provide for the payment of the principal of and interest on the Series 2006 Bonds, plus the premium, if any. Contemporaneously with the deposit of the proceeds of the Series 2013 C Bonds and other monies into the Series 2006 Bonds Sinking Fund, the amounts on deposit in the sinking fund, including the Series 2013 C Bonds Reserve Account therein, created and maintained on behalf of the Series 2006 Bonds shall be released from the lien created by the resolution authorizing issuance thereof and deposited in the Series 2013 C Bonds Sinking Fund, the Series 2013 C Bonds Reserve Account or such other fund or account as shall be set forth in the Supplemental Resolution and invested as provided therein.

ARTICLE III

THE BONDS

Section 3.01. Form and Payment of Bonds. No Bond shall be issued pursuant to this Resolution except as provided in this Article III. Any Bonds issued pursuant to this Resolution after the issuance of the Series 2013 C Bonds, as hereinafter provided, may be issued only as fully registered Bonds without coupons, in the denomination of \$5,000 or any integral multiple thereof for any year of maturity. All Bonds shall be dated as of the date provided in a Supplemental Resolution applicable to such series. Series 2013 C Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2013 C Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2013 C Bonds shall be in default, Bonds issued in exchange for Series 2013 C Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2013 C Bonds surrendered.

The principal of and the premium, if any, on the Series 2013 C Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Series 2013 C Bonds shall be paid by check or draft made payable and mailed to the Holder thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of \$500,000 or more of the Series 2013 C Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

In the event any Series 2013 C Bonds are redeemed in part, such bonds shall be surrendered to and canceled by the Registrar, and the Issuer shall execute, and the Registrar shall authenticate and deliver to the Holder thereof, another Bond in the principal amount of said Series 2013 C Bonds then Outstanding.

Section 3.02. Execution of Bonds. The Series 2013 C Bonds shall be executed in the name of the Issuer by the Chairman, by his or her manual or facsimile signature, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary by his or her manual or facsimile signature; provided, that all such signatures and the seal may be by facsimile. In case any one or more of the officers who shall have signed or sealed any of the Series 2013 C Bonds shall cease to be such officer of the Issuer before the Series 2013 C Bonds so signed and sealed have been actually sold and delivered, such Series 2013 C Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Series 2013 C Bonds had not ceased to hold such office. Any Series 2013 C Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Series 2013 C Bonds shall hold the proper office in the Issuer, although at the date of such Series 2013 C Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Series 2013 C Bonds shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until the Certificate of Authentication and Registration on such Series 2013 C Bonds, substantially in the form set forth in EXHIBIT A – FORM OF SERIES 2013 C BONDS attached hereto and incorporated herein by reference with respect to the Series 2013 C Bonds, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any such Series 2013 C Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Resolution. The Certificate of Authentication and Registration on any Series 2013 C Bonds shall be deemed to have been executed by the Registrar if signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Series 2013 C Bonds issued hereunder.

Section 3.04. Negotiability and Registration. Subject to the requirements for transfer set forth below, the Series 2013 C Bonds shall be, and have all of the qualities and incidents of, negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder, in accepting any of said Series 2013 C Bonds, shall be conclusively deemed to have agreed that such Series 2013 C Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder shall further be conclusively deemed to have agreed that said Series 2013 C Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Series 2013 C Bonds remain Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Series 2013 C Bonds. Series 2013 C Bonds shall be transferable only by transfer of registration upon the Bond Register by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or such duly authorized attorney or legal representative. Upon transfer of a Series 2013 C Bond, there shall be issued at the option of the Holder or the transferee another Series 2013 C Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Series 2013 C Bond.

Upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar and duly executed by the registered owner or his attorney or legal representative duly authorized in writing, Series 2013 C Bonds may at the option of the Holder thereof be exchanged for an equal aggregate principal amount of Series 2013 C Bonds of the same series, maturity and interest rate, in any authorized denominations.

In all cases in which the privilege of transferring or exchanging a Series 2013 C Bond is exercised, Bonds shall be delivered in accordance with the provisions of this Resolution. All Series 2013 C Bonds surrendered in any such transfer or exchange shall forthwith be canceled by the Registrar. Transfers of Series 2013 C Bonds, the initial exchange of Series 2013 C Bonds and exchanges of Series 2013 C Bonds in the event of partial redemption of fully registered Series 2013 C Bonds shall be made by the Registrar without charge to the Holder or the transferee thereof, except as provided below. For other exchanges of Series 2013 C Bonds, the Registrar may impose a service charge. For every such transfer or exchange of bonds, the Registrar may make a charge sufficient to reimburse its office for any

tax or other governmental charge required to be paid with respect to such transfer or exchange, and such tax or governmental charge, and such service charge for exchange other than the initial exchange or in the event of partial redemption, shall be paid by the person requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Series 2013 C Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2013 C Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may execute, in its discretion, and the Registrar shall authenticate, register and deliver any new Series 2013 C Bond of like series, maturity and principal amount as the Series 2013 C Bond, so mutilated, destroyed, stolen or lost, in exchange and upon surrender and cancellation of, such mutilated Bond, or in lieu of and substitution for the Series 2013 C Bond destroyed, stolen or lost, and upon the Holder's furnishing the Issuer and the Registrar proof of his ownership thereof and that said Series 2013 C Bond has been destroyed, stolen or lost and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer or the Registrar may incur. The name of the Bondholder listed in the Bond Register shall constitute proof of ownership. All Series 2013 C Bonds so surrendered shall be submitted to and canceled by the Registrar, and evidence of such cancellation shall be given to the Issuer. If such Series 2013 C Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer, by and through the Registrar, may pay the same, upon being indemnified as aforesaid, and, if such Series 2013 C Bond be lost, stolen or destroyed, without surrender therefor.

Any such duplicate Series 2013 C Bonds issued pursuant to this section shall constitute original, additional contractual obligations on the part of the Issuer, whether or not the lost, stolen or destroyed Series 2013 C Bonds be at any time found by any one, and such duplicate Series 2013 C Bonds shall be entitled to equal and proportionate benefits and rights as to lien and source of and security for payment from the Revenues pledged herein with all other Bonds issued hereunder.

Section 3.06. Term Bonds. In the event Term Bonds are issued pursuant to this Resolution, the following provisions shall apply:

A. The amounts to be deposited, apportioned and set apart by the Issuer from the Revenue Fund and into the Series 2013 C Bonds Redemption Account, in accordance with Subsection 4.03A(3) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 12 months prior to the first mandatory Redemption Date of said Term Bonds, a sum equal to 1/12th of the amount required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next ensuing mandatory Redemption Date, which amounts and dates, if any, with respect to a series of Series 2013 C Bonds shall be set forth in the Supplemental Resolution relating thereto.

B. At its option, to be exercised on or before the 60th day next preceding any such mandatory Redemption Date, the Issuer may (a) deliver to the Registrar for cancellation such Term Bonds in any aggregate principal amount desired or (b) receive a credit in respect of its mandatory redemption obligation for any such Term Bonds which prior to said date have been redeemed (otherwise than pursuant to this section) and canceled by the Registrar and not theretofore applied as a credit against any such mandatory redemption obligation. Each Term

Bond so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory Redemption Date, and Term Bonds delivered in excess of such mandatory redemption obligation shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

C. The Issuer shall on or before the 60th day next preceding each mandatory Redemption Date furnish the Registrar and the Bond Commission with its certificate indicating whether and to what extent the provisions of (a) and (b) of the preceding paragraph are to be utilized with respect to such mandatory redemption payment and stating, in the case of the credit provided for in (b) of the preceding paragraph, that such credit has not theretofore been applied against any mandatory redemption obligation.

D. After said 60th day but prior to the date on which the Registrar selects the Term Bonds to be redeemed, the Bond Commission may use the monies in the Series 2013 C Bonds Redemption Account, to purchase Term Bonds at a price less than the par value thereof and accrued interest thereon. The Bond Commission shall advise the Issuer and the Registrar of any Term Bonds so purchased, and they shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory Redemption Date, and any excess shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

E. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the Redemption Date (interest to be paid from the Series 2013 C Bonds Sinking Fund), as will exhaust as nearly as practicable such Series 2013 C Bonds Redemption Account payment designated to be made in accordance with paragraph (A) of this section. Such redemption shall be by random selection made on the 45th day preceding the mandatory Redemption Date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of \$5,000.

Section 3.07. Notice of Redemption. Unless waived by any Holder of the Series 2013 C Bonds to be redeemed, official notice of any redemption shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Bond Insurer, if any, the Original Purchaser and the registered owner of the Series 2013 C Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

So long as DTC (as CEDE & CO.) is the registered Owner of the Series 2013 C Bonds, the Registrar shall send all notices of redemption to DTC and shall verify that DTC has received notice. Copies of all redemption notices relating to optional redemption of the Series 2013 C Bonds shall also be sent to registered securities depositories.

All official notices of redemption shall be dated and shall state:

- (1) The Redemption Date;
- (2) The Redemption Price;
- (3) If less than all outstanding Series 2013 C Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 2013 C Bonds to be redeemed;
- (4) That on the Redemption Date the Redemption Price and interest accrued will become due and payable upon each such Series 2013 C Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date;
- (5) The place where such Series 2013 C Bonds are to be surrendered for payment of the Redemption Price, which place of payment shall be the principal office of the Registrar; and
- (6) Such other information, if any, as shall be required for DTC-eligible Series 2013 C Bonds.

If funds sufficient to redeem all Series 2013 C Bonds called for optional redemption have not been deposited with the Paying Agent at the time of mailing any notice of optional redemption, such notice shall also state that such optional redemption is subject to the deposit of such monies with the Paying Agent on or before the Redemption Date. If such monies are not so deposited, the Registrar shall notify all holders of Series 2013 C Bonds called for redemption of such fact.

Official notice of redemption having been given as aforesaid, the Series 2013 C Bonds or portions of Series 2013 C Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 C Bonds or portions of Series 2013 C Bonds shall cease to bear interest. Upon surrender of such Series 2013 C Bonds for redemption in accordance with said notice, such Series 2013 C Bonds shall be paid by the Registrar at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Series 2013 C Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unredeemed principal of such Series 2013 C Bond. All Series 2013 C Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of Series 2013 C Bonds, and failure to mail or otherwise send such notice shall not affect the validity of proceedings for the redemption of any portion of Series 2013 C Bonds for which there was no such failure.

Section 3.08. Persons Treated as Owners. The Issuer, the Registrar and any agent of the Issuer or the Registrar may treat the person in whose name any Series 2013 C

Bond is registered as the owner of such Bond for the purpose of receiving payment of the principal of, and interest on, such Bond and for all other purposes, whether or not such Bond is overdue.

Section 3.09. Temporary Bonds. Until Bonds of any series in definitive form are ready for delivery, the Issuer may execute and the Registrar shall authenticate, register, if applicable, and deliver, subject to the same provisions, limitations and conditions set forth in this Article III, one or more printed, lithographed or typewritten Bonds in temporary form, substantially in the form of the definitive Bonds of such series, with appropriate omissions, variations and insertions, and in authorized denominations. Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the lien and benefit created under this Resolution. Upon the presentation and surrender of any Bond or Bonds in temporary form, the Issuer shall, without unreasonable delay, prepare, execute and deliver to the Registrar, and the Registrar shall authenticate, register, if applicable, and deliver, in exchange therefor, a Bond or Bonds in definitive form. Such exchange shall be made by the Registrar without making any charge therefor to the Holder of such Bond in temporary form.

Section 3.10. Authorization of Bonds. For the purposes of paying a portion of the costs of refunding all of the Series 2006 Bonds of the Issuer, funding a portion of the Series 2013 C Bonds Reserve Account, and paying costs in connection therewith, there shall be issued the Series 2013 C Bonds of the Issuer, in an aggregate principal amount of not more than \$3,750,000. The Series 2013 C Bonds shall be designated "Sewer Refunding Revenue Bonds, Series 2013 C Bonds (Bank Qualified)" and shall be issued in fully registered form, in the denomination of \$5,000 or any integral multiple thereof for any year of maturity, not exceeding the aggregate principal amount of Series 2013 C Bonds maturing in the year of maturity for which the denomination is to be specified. The Series 2013 C Bonds shall be numbered from CR-1 consecutively upward. The Series 2013 C Bonds shall be dated; shall be in such aggregate principal amount; shall bear interest at such rate or rates, not exceeding the then legally permissible rate, payable semiannually on such dates; shall mature on such dates and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Book Entry System for Bonds. A. The Series 2013 C Bonds shall each initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Series 2013 C Bonds, respectively, of each maturity, registered in the name of CEDE & CO., as nominee of DTC. Except as provided in paragraph E below, all of the Series 2013 C Bonds shall be registered in the registration books kept by the Registrar in the name of CEDE & CO., as nominee of DTC; provided, that if DTC shall request that the Series 2013 C Bonds be registered in the name of a different nominee, the Registrar shall exchange all or any portion of the Series 2013 C Bonds registered in the name of such nominee or nominees. No person other than DTC or its nominee shall be entitled to receive from the Issuer or the Registrar a Series 2013 C Bond, or any other evidence of ownership of the Series 2013 C 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 Series 2013 C Bonds on the registration books maintained by the Registrar, in connection with discontinuing the book entry system as provided in paragraph E below.

B. At or prior to settlement for the Series 2013 C Bonds, the Issuer and the Registrar shall execute or signify their approval of a representation letter addressed to DTC in a form satisfactory to DTC (the "Representation Letter"). Any successor Registrar shall, in its written acceptance of its duties under this Resolution, agree to take any actions necessary from time to time to comply with the requirements of the Representation Letter.

C. So long as the Series 2013 C Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal or Redemption Price of or interest on such Series 2013 C Bonds shall be made to DTC or its nominee at the addresses set forth in the Representation Letter in New York Clearing House or equivalent next day funds on the dates provided for such payments to be made to any Bondholder under this Resolution. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the Issuer and the Registrar with respect to the principal or Redemption Price of or interest on the Series 2013 C Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Series 2013 C Bonds Outstanding of any maturity, the Registrar shall not require surrender by DTC of the Series 2013 C Bonds so redeemed, but DTC may return such Series 2013 C Bonds and make an appropriate notation on the Series 2013 C Bond certificate as to the amount of such partial redemption; provided that DTC shall deliver to the Registrar, upon request, a written confirmation of such partial redemption. The records maintained by the Registrar shall be conclusive as to the amount of the Series 2013 C Bonds of such maturity which have been redeemed.

D. The Issuer, the Paying Agent and the Registrar may treat DTC as the sole and exclusive owner of the Series 2013 C Bonds registered in its name or the name of its nominee for the purposes of payment of the principal or Redemption Price of or interest on the Series 2013 C Bonds, selecting the Series 2013 C Bonds, or portions thereof, to be redeemed, giving any notice permitted or required to be given to Bondholders under this Resolution, registering the transfer of Series 2013 C Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Issuer nor the Registrar shall be affected by any notice to the contrary. Neither the Issuer nor the Registrar shall have any responsibility or obligation to any direct or indirect participant in DTC, any person claiming a beneficial ownership interest in the Series 2013 C Bonds under or through DTC or any such participant, or any other person which is not shown on the registration books of the Registrar as being a Bondholder with respect to (i) the Series 2013 C Bonds, (ii) the accuracy of any records maintained by DTC or any such participant, (iii) the payment by DTC or any such participant of any amount in respect of the principal or Redemption Price of or interest on the Series 2013 C Bonds, (iv) any notice which is permitted or required to be given to Bondholders under this Resolution, (v) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Series 2013 C Bonds, or (vi) any consent given or other action taken by DTC as Bondholder.

E. The book entry system for registration of the ownership of the Series 2013 C Bonds may be discontinued at any time if either: (i) DTC determines to resign as securities depository for the Series 2013 C Bonds; or (ii) the Issuer determines that continuation of the system of book entry transfers through DTC (or through a successor securities depository) is not in the best interest of the beneficial owners of the Series 2013 C Bonds. In either of such events (unless in the case described in clause (ii) above, the Issuer appoints a successor securities depository), the Series 2013 C 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 the Issuer or the Registrar for the accuracy of such designation. Whenever DTC requests the Issuer and the Registrar to do so, the Issuer and the Registrar shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Series 2013 C Bonds.

Section 3.12. Delivery of Series 2013 C Bonds. The Issuer shall execute and deliver the Series 2013 C Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2013 C Bonds to the Original Purchaser upon receipt of the documents set forth below:

- (1) A list of the names in which the Series 2013 C Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;
- (2) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2013 C Bonds to the Original Purchaser;
- (3) Copies of this Resolution and the Supplemental Resolution certified by the Secretary;
- (4) The unqualified approving opinion upon the Series 2013 C Bonds by Bond Counsel; and
- (5) A copy of such other documents, certifications and verifications as the Original Purchaser may reasonably require.

Section 3.13. Form of Series 2013 C Bonds. The definitive Series 2013 C Bonds shall be in substantially the form set forth in EXHIBIT A – FORM OF SERIES 2013 C BONDS attached hereto and incorporated herein by reference, with such necessary and appropriate omissions, insertions and variations as are approved by those officers executing such Series 2013 C Bonds on behalf of the Issuer and execution thereof by such officers shall constitute conclusive evidence of such approval, and the definitive Series 2013 C Bonds shall have the form of the opinion of Steptoe & Johnson PLLC, as Bond Counsel, attached thereto or printed on the reverse thereof.

Section 3.14. Disposition of Proceeds of Bonds. Upon the issuance and delivery of the Series 2013 C Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

A. All interest accrued on the Series 2013 C Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2013 C Bonds Sinking Fund, and applied to payment of interest on the Series 2013 C Bonds at the first interest payment date.

B. An amount of the proceeds of the Series 2013 C Bonds which, together with other monies or securities deposited therein and the earnings thereon, shall be sufficient to accomplish the refunding and defeasance of the Series 2006 Bonds (which amount

shall be set forth in the Supplemental Resolution) shall be deposited in the Series 2006 Bonds Sinking Fund.

C. An amount of the proceeds of the Series 2013 C Bonds equal to a portion of the Series 2013 C Bonds Reserve Requirement shall be remitted to the Bond Commission for deposit in the Series 2013 C Bonds Reserve Account; provided, that to the extent the Series 2013 C Bonds Reserve Requirement is satisfied in whole or in part from proceeds of any fund or account established for the Series 2013 C Bonds pursuant to the resolution authorizing issuance thereof, proceeds of the Series 2013 C Bonds shall be deposited in the Series 2013 C Bonds Reserve Account only to the extent needed to satisfy a portion of the Series 2013 C Bonds Reserve Requirement.

D. An amount of the proceeds of the Series 2013 C Bonds which shall be sufficient to pay the costs of issuance of the Series 2013 C Bonds shall be deposited with the Depository Bank in the Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2013 C Bonds and miscellaneous costs of refunding the Series 2006 Bonds. All such costs of issuance shall be paid within 60 days of the Closing Date. Monies not to be applied immediately to pay such costs of issuance and refunding may be invested in accordance with this Resolution, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 6 months after the Closing Date, such unapplied proceeds shall be transferred by the Issuer to the Series 2013 C Bonds Redemption Account. All such proceeds transferred to the Series 2013 C Bonds Redemption Account shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2013 C Bonds.

E. The balance of any proceeds of the Series 2013 C Bonds and any monies in any fund or account established for the Series 2006 Bonds pursuant to the resolution authorizing issuance thereof, not used for any of the purposes set forth above, may be deposited in the Series 2013 C Bonds Sinking Fund and used to make payments of debt service on the Series 2013 C Bonds hereinafter provided. Monies not to be applied immediately to pay such debt service may be invested in accordance with this Resolution, subject however, to applicable yield restrictions as may be in effect under the Code. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2013 C Bonds.

Section 3.15. Designation of Series 2013 C Bonds as "Qualified Tax-Exempt Obligations." Pursuant to Section 265(b)(3)(D)(ii) of the Code, the portion of the Series 2013 C Bonds equal to the outstanding par amount of the Series 2006 A Bonds shall be treated as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code and shall be deemed so designated as the Series 2013 C Bonds and the issue of which they are a part satisfy the requirements set forth in Section 265(b)(3)(D)(ii) of the Code.

The remaining portion of the Series 2013 C Bonds are hereby designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code and the Issuer covenants that the Series 2013 C Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and the Issuer reasonably anticipates that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however,

obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Series 2013 C Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2013, all as determined in accordance with the Code.

ARTICLE IV

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 4.01. Establishment of Funds and Accounts with Depository Bank.

Pursuant to this Article IV, the following special funds or accounts are hereby created with (or continued if previously established), and shall be held by, the Depository Bank, segregated and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

- (1) Revenue Fund (established by the Prior Resolutions);
- (2) Operation and Maintenance Fund (established by the Prior Resolutions);
- (3) Renewal and Replacement Fund (established by the Prior Resolutions);
- (4) Costs of Issuance Fund; and
- (5) Rebate Fund.

Section 4.02. Establishment of Funds and Accounts with Bond Commission.

Pursuant to this Article IV, the following special funds or accounts are hereby created with and shall be held by, the Bond Commission, separate and apart from all other funds or accounts of the Bond Commission and the Issuer and from each other:

1. Series 1986 B Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
2. Series 1986 B Bonds Reserve Account (established by Prior Resolutions and continued hereby);
3. Series 1990 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
4. Series 1990 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
5. Series 1990 B Bonds Sinking Fund (established by Prior Resolutions and continued hereby);

6. Series 1990 B Bonds Reserve Account (established by Prior Resolutions and continued hereby);
7. Series 1994 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
8. Series 1994 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
9. Series 1994 C Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
10. Series 1994 C Bonds Reserve Account (established by Prior Resolutions and continued hereby);
11. Series 1995 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
12. Series 1995 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
13. Series 1995 B Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
14. Series 1995 B Bonds Reserve Account (established by Prior Resolutions and continued hereby);
15. Series 1996 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
16. Series 1996 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
17. Series 1996 B Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
18. Series 1996 B Bonds Reserve Account (established by Prior Resolutions and continued hereby);
19. Series 1996 C Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
20. Series 1996 C Bonds Reserve Account (established by Prior Resolutions and continued hereby);
21. Series 1997 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);

22. Series 1997 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
23. Series 1997 B Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
24. Series 1997 B Bonds Reserve Account (established by Prior Resolutions and continued hereby);
25. Series 1999 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
26. Series 1999 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
27. Series 2000 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
28. Series 2000 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
29. Series 2001 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
30. Series 2001 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
31. Series 2002 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
32. Series 2002 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
33. Series 2002 B Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
34. Series 2002 B Bonds Reserve Account (established by Prior Resolutions and continued hereby);
35. Series 2002 C Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
36. Series 2002 C Bonds Reserve Account (established by Prior Resolutions and continued hereby);
37. Series 2002 D Bonds Sinking Fund (established by Prior Resolutions and continued hereby);

38. Series 2002 D Bonds Reserve Account (established by Prior Resolutions and continued hereby);
39. Series 2002 E Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
40. Series 2002 E Bonds Reserve Account (established by Prior Resolutions and continued hereby);
41. Series 2003 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
42. Series 2003 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
43. Series 2003 B Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
44. Series 2003 B Bonds Reserve Account (established by Prior Resolutions and continued hereby);
45. Series 2004 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
46. Series 2004 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
47. Series 2007 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
48. Series 2007 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
49. Series 2007 B Bonds Reserve Account (established by Prior Resolutions and continued hereby);
50. Series 2007 C Bonds Reserve Account (established by Prior Resolutions and continued hereby);
51. Series 2007 D Bonds Reserve Account (established by Prior Resolutions and continued hereby);
52. Series 2007 E Bonds Reserve Account (established by Prior Resolutions and continued hereby);
53. Series 2007 F Bonds Reserve Account (established by Prior Resolutions and continued hereby);

54. Series 2009 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
55. Series 2009 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
56. Series 2009 B Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
57. Series 2009 B Bonds Reserve Account (established by Prior Resolutions and continued hereby);
58. Series 2013 A Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
59. Series 2013 A Bonds Reserve Account (established by Prior Resolutions and continued hereby);
60. Series 2013 B Bonds Sinking Fund (established by Prior Resolutions and continued hereby);
61. Series 2013 B Bonds Reserve Account (established by Prior Resolutions and continued hereby);
62. Series 2013 C Bonds Sinking Fund;
63. Within the Series 2013 C Bonds Sinking Fund, the Series 2013 C Bonds Redemption Account; and
64. Series 2013 C Bonds Reserve Account.

Section 4.03. System Revenues and Application Thereof. So long as any of the Bonds shall be Outstanding and unpaid, the Issuer covenants as follows:

A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt by the Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Resolution and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided.

- (1) The Issuer shall first each month transfer from the Revenue Fund to the Operation and Maintenance Fund the amount necessary to pay the current Operating Expenses of the System.
- (2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the (i) the National Finance Office, the amounts required by the Prior Resolutions to pay interest on the RUS Bonds; (ii) the Bond Commission the amounts required by Prior Resolutions to pay interest on the Series

1990 A Bonds, Series 1994 A Bonds, Series 1997 A Bonds, Series 1997 B Bonds, Series 2002 D Bonds, Series 2002 E Bonds, Series 2003 A Bonds, Series 2003 B Bonds, Series 2006 Bonds, Series 2007 A Bonds, Series 2009 A Bonds, Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds; and (iii) commencing 6 months prior to the first interest payment date on the Series 2013 C Bonds, for deposit in the Series 2013 C Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Series 2013 C Bonds on the next ensuing semiannual interest payment date; provided, that, in the event the period to elapse between the date of such initial deposit in the Series 2013 C Bonds Sinking Fund and the next ensuing semiannual interest payment date is less than or greater than 6 months, then such monthly payments shall be increased or decreased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date; and provided further that, the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2013 C Bonds Sinking Fund shall be reduced by the amount of accrued interest on the Series 2013 C Bonds deposited therein and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2013 C Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2013 C Bonds Sinking Fund.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to (i) the National Finance Office, the amounts required by the Prior Resolutions to pay principal of the RUS Bonds; (ii) the Bond Commission the amounts required by Prior Resolutions to pay principal on the Series 1986 B Bonds, Series 1990 A Bonds, Series 1994 A Bonds, Series 1994 C Bonds, Series 1995 A Bonds, Series 1995 B Bonds, Series 1996 A Bonds, Series 1996 B Bonds, Series 1996 C Bonds, Series 1997 A Bonds, Series 1997 B Bonds, Series 1999 A Bonds, Series 2000 A Bonds, Series 2001 A Bonds, Series 2001 B Bonds, Series 2002 A Bonds, Series 2002 B Bonds, Series 2002 C Bonds, Series 2002 D Bonds, Series 2002 E Bonds, Series 2003 A Bonds, Series 2003 B Bonds, Series 2004 A Bonds, Series 2007 A Bonds, Series 2009 A Bonds, Series 2009 B Bonds, Series 2013 A Bonds, and Series 2013 B Bonds; and (iii) commencing 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2013 C Bonds, for deposit in the Series 2013 C Bonds Sinking Fund, and in the Series 2013 C Bonds Redemption Account therein in the case of Term Bonds which are to be redeemed, a sum equal to 1/12th of the amount of principal which will mature or be redeemed and become due on the Series 2013 C Bonds on the next ensuing principal payment date or mandatory Redemption Date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2013 C Bonds Sinking Fund and

the next ensuing annual principal payment date or mandatory Redemption Date is less than or greater than 12 months, then such monthly payments shall be increased or decreased proportionately to provide, 1 month prior to the next ensuing annual principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2006 Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the respective Reserve Accounts, the amounts required under the Prior Resolutions to fund the respective reserves requirements for the First Lien Bonds; and (ii) for deposit in the Series 2013 C Bonds Reserve Account, an amount sufficient to remedy any decrease in value of the Series 2013 C Bonds Reserve Account below the Series 2013 C Bonds Reserve Requirement or any withdrawal from the Series 2013 C Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2013 C Bonds Reserve Account results in a determination that the amount of monies and the value of the Qualified Investments deposited to the credit of the Series 2013 C Bonds Reserve Account is less than the Series 2013 C Bonds Reserve Requirement, or (b) any amount is withdrawn from the Series 2013 C Bonds Reserve Account for deposit into the Series 2013 C Bonds Sinking Fund. To the extent Net Revenues and any other legally available funds are available therefor, the amount so deposited shall be used to restore the amount of monies on deposit in the Series 2013 C Bonds Reserve Account to an amount equal to the Series 2013 C Bonds Reserve Requirement to the full extent that such Net Revenues are available; provided, that no payments shall be required to be made into the Series 2013 C Bonds Reserve Account whenever and as long as the amount deposited therein shall be equal to the Series 2013 C Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month (as previously set forth in the Prior Resolutions and not in addition thereto), exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article V hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or extensions to the System; provided, that any

deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

(6) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Bond Commission for deposit in the Sinking Fund for the Second Lien Bonds the amount required under the Prior Resolutions to pay principal of the Second Lien Bonds.

(7) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Bond Commission for deposit in the Reserve Account for the Second Lien Bonds the amount required under the Prior Resolutions.

Monies in the Series 2013 C Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2013 C Bonds as the same shall become due, whether by maturity or redemption prior to maturity.

The Issuer shall not be required to make any further payments into the Series 2013 C Bonds Sinking Fund or the Series 2013 C Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of Series 2013 C Bonds issued pursuant to this Resolution then Outstanding, plus the amount of interest due or thereafter to become due on the Series 2013 C Bonds then Outstanding.

As and when additional Bonds ranking on a parity with the Series 2013 C Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at or before maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirements therefor.

The payments into the Series 2013 C Bonds Sinking Fund shall be made on the first day of each month, except that, when the first day of any month shall be a Saturday, Sunday or legal holiday, then such payments shall be made on the next succeeding business day, and all such payments shall be remitted to the Bond Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Resolution.

The Issuer shall restore any withdrawals from the Series 2013 C Bonds Reserve Account which have the effect of reducing the assets therein below the Series 2013 C Bonds Reserve Requirement, from the first Net Revenues available after all required payments have been made in full in the order set forth above.

Principal, interest or reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the First Lien Bonds, the Series 2013 C

Bonds, and senior and prior to the principal, interest or reserve payments for the Second Lien Bonds, in accordance with the respective principal amounts then Outstanding.

The Bond Commission is hereby designated as the fiscal agent for the administration of the Series 2013 C Bonds Sinking Fund and the Series 2013 C Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Bond Commission from the Revenue Fund by the Issuer at the times provided herein.

B. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into such funds during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

C. The Issuer shall remit from the Revenue Fund to the Bond Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Bond Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay any charges and fees then due.

D. The monies in excess of the sum insured by the maximum amounts insured by FDIC in all funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

E. If on any monthly payment date the Net Revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds and accounts on the subsequent payment dates; provided, however, that the priority of curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be made pursuant to this Section 4.03, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

F. All remittances made by the Issuer to the Bond Commission shall clearly identify the fund or account into which each amount is to be deposited.

G. The Gross Revenues of the System shall only be used for purposes of the System.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE; REBATES OF EXCESS INVESTMENT EARNINGS

Section 5.01. Investments. The Issuer shall invest and reinvest, and shall instruct the Bond Commission and the Depository Bank to invest and reinvest, any monies held as a part of the funds and accounts created by this Resolution in Qualified Investments to the fullest

extent possible under applicable laws, this Resolution, the need for such monies for the purposes set forth herein and the specific restrictions and provisions set forth in this section.

Except as provided below, any investment shall be held in and at all times deemed a part of the fund or account in which such monies were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The Issuer shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Issuer may make any and all investments permitted by this section through the bond department of the Depository Bank. The Depository Bank shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The following specific provisions shall apply with respect to any investments made under this section:

(A) Qualified Investments acquired for the Series 2013 C Bonds Reserve Account shall mature or be subject to retirement at the option of the holder within not more than 5 years from the date of such investment.

(B) The Issuer shall, or shall cause the Bond Commission to, semiannually transfer from the Series 2013 C Bonds Reserve Account, to the Series 2013 C Bonds Sinking Fund, any earnings on the monies deposited therein and any other funds in excess of the requirement therefor; provided, however, that there shall at all times remain on deposit in the Series 2013 C Bonds Reserve Account an amount at least equal to the Series 2013 C Bonds Reserve Requirement.

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal from the Series 2013 C Bonds Reserve Account, whereupon such account shall be valued immediately after such withdrawal. If amounts on deposit in the Series 2013 C Bonds Reserve Account shall, at any time, be less than the Series 2013 C Bonds Reserve Requirement, the Bond Insurer, if any, shall be notified immediately of such deficiency, such deficiency shall be made up from the first available Net Revenues in the order set forth in Section 4.03 hereof.

(D) All amounts representing accrued and capitalized interest shall be held by the Bond Commission, pledged solely to the payment of interest on the Series 2013 C Bonds, as applicable, and invested only in Government Obligations maturing at such times and in such amounts as are necessary to match the interest payments to which they are pledged.

(E) Notwithstanding the foregoing, all monies deposited in the Series 2013 C Bonds Sinking Fund may be invested by the Bond Commission in the West Virginia "consolidated fund" managed by the West Virginia

Treasury Board pursuant to Chapter 12, Article 6(c) of the West Virginia Code of 1931, as amended.

Section 5.02. Arbitrage. The Issuer covenants that (i) it will restrict the use of the proceeds of the Series 2013 C Bonds in such manner and to such extent as may be necessary, so that the Series 2013 C Bonds will constitute “arbitrage bonds” under Section 148 of the Code and Regulations prescribed thereunder, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Series 2013 C Bonds) so that the interest on the Series 2013 C Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 5.03. Tax Certificate and Rebate. A. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate (the “Tax Certificate”) to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of the Series 2013 C Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2013 C Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

B. The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be from time to time in effect, with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor. The Issuer at its expense, may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 5.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and the required amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary,

in order to maintain the exclusion of interest on the Series 2013 C Bonds from gross income for federal income tax purposes.

Section 5.04. Continuing Disclosure Agreement. The Issuer shall deliver a continuing disclosure agreement or certificate in form acceptable to the Original Purchaser sufficient to ensure compliance with SEC Rule 15c2-12, as it may be amended from time to time.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants Binding and Irrevocable. All the covenants, agreements and provisions of this Resolution shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2013 C Bonds, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Resolution, the Issuer hereby covenants and agrees with the Holders of the Series 2013 C Bonds, as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2013 C Bonds, or the interest thereon, are Outstanding and unpaid.

Section 6.02. Bonds not to be Indebtedness of the Issuer. The Series 2013 C Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution but shall be payable solely from the Net Revenues of the System, the monies in the Series 2013 C Bonds Sinking Fund and the Series 2013 C Bonds Reserve Account, and the unexpended proceeds of the Series 2013 C Bonds, all as herein provided. No Holder or Holders of the Series 2013 C Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2013 C Bonds, or the interest thereon.

Section 6.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of all of the Series 2013 C Bonds issued hereunder shall be secured forthwith equally and ratably with each other by a first lien on the Net Revenues derived from the System, on a parity with one another and with the lien on the Net Revenues in favor of the Holders of the First Lien Bonds, which lien and pledge are senior and prior to the lien on the Net Revenues in favor of the Holders of the Second Lien Bonds. The Net Revenues derived from the System, in an amount sufficient to pay the interest on and principal of the Series 2013 C Bonds herein authorized, and to make the payments into the Series 2013 C Bonds Sinking Fund, the Series 2013 C Bonds Reserve Account and all other payments provided for in this Resolution, are hereby irrevocably pledged in the manner provided in this Resolution to the payment of the interest on and principal of the Series 2013 C Bonds herein authorized as the same become due and for the other purposes provided in this Resolution.

Section 6.04. Rates. Equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Secretary, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from said System sufficient to

pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2013 C Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Series 2013 C Bonds, including the First Lien Bonds and the Second Lien Bonds.

The Issuer shall require that each annual audit contain a statement of the auditor that the Issuer either is or is not in compliance with the rate covenant contained in this Section 6.04. In the event that any audit contains a statement that the Issuer is not in compliance with the rate covenant contained in this Section 6.04, the Issuer hereby covenants that it shall, within sixty (60) days of receiving the audit report, file a request with the Public Service Commission of West Virginia for a rate increase sufficient to comply with the above-mentioned rate requirement.

Section 6.05. Operation and Maintenance. The Issuer will operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards.

Section 6.06. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of the System, or any part thereof, except as provided in the Prior Resolutions. Additionally, so long as the Series 2013 C Bonds are outstanding and except as otherwise required by law, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds Outstanding, or to effectively defease this Resolution in accordance with Article IX hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2013 C Bonds, immediately be remitted to the Bond for deposit in the Series 2013 C Bonds Sinking Fund, and the Issuer shall direct the Bond Commission to apply such proceeds to the payment of principal of and interest on the Series 2013 C Bonds, as applicable. Any balance remaining after the payment of the Series 2013 C Bonds and interest thereon shall be remitted to the Issuer by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$500,000, the Issuer shall, by resolution, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such

sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$500,000 but not in excess of \$5,000,000, the Issuer shall first, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding. The proceeds derived from any such sale, lease or other disposition of such property, aggregating during such Fiscal Year in excess of \$500,000 and not in excess of \$5,000,000, shall be remitted by the Issuer to the Bond Commission for deposit in the Sinking Funds and shall be applied only to the purchase of Bonds as determined by the Issuer, in its sole discretion. Such payment of such proceeds into the Sinking Funds or the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Resolution. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of \$5,000,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of over 50% in amount of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2013 C Bonds, except as provided in Section 6.08 herein. All obligations issued by the Issuer after the issuance of the Series 2013 C Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, pledge and source of and security for payment from such revenues and in all other respects, to the Series 2013 C Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2013 C Bonds, and the interest thereon, if any, upon any or all of the income and revenues of the System pledged for payment of the Series 2013 C Bonds and the interest thereon, if any, in this Resolution, or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Resolutions shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2013 C Bonds pursuant to this Resolution, except under the conditions and in the manner herein provided (unless less restrictive than the provisions of the Prior Resolutions).

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2013 C Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the acquisition or construction of extensions and improvements to the System or refunding any series of Bonds, or both such purposes.

So long as the RUS Bonds are Outstanding, no Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, reciting the conclusion that the Net Revenues for the Fiscal Year following the year in which such Parity Bonds are to be issued shall be at least 120% of the average annual debt service requirements on the following:

- (1) The Bonds Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and
- (3) The Parity Bonds then proposed to be issued.

The foregoing limitation may be waived or modified by the written consent of the Holders of the RUS Bonds, representing 75% of the then-outstanding principal indebtedness. In the event the foregoing limitation is waived or when the RUS Bonds are no longer outstanding, the following parity requirement shall be met:

So long as the First Lien State Bonds, Series 2007 A Bonds, Series 2009 A Bonds, Series 2013 A Bonds, Series 2013 B Bonds, or Series 2013 C Bonds are outstanding, no Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Secretary a written statement by an Independent Certified Public Accountant reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, if any, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest, if any, on the following:

- (1) The Bonds then Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and
- (3) The Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such Parity Bonds and (b) any increase in rates adopted by the

Issuer, the period for appeal of which has expired prior to the date of issuance of such additional Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Secretary prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountant, on account of increased rates, rentals, fees and charges for the System adopted by the Issuer, the period for appeal of which has expired prior to issuance of such Parity Bonds.

All covenants and other provisions of this Resolution (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. Bonds issued on a parity, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any Bond of one series over any other Bond of the same series. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Resolution required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Resolution.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on revenues of the System is subject to the prior and superior liens of the Series 2013 C Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2013 C Bonds.

No Parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for in this Resolution with respect to the Bonds then Outstanding, and any other payments provided for in this Resolution, shall have been made in full as required to the date of delivery of such Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Resolution.

Provided, however, that if the most recent audit by an independent certified public accountant for the Issuer states that the Issuer was not in compliance with the rate covenant in Section 6.04 of this Resolution for the year being audited and the Issuer has, as required by Section 6.04, filed a petition with the Public Service Commission of West Virginia seeking a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Resolution, so as to prevent the Issuer from issuing additional Parity Bonds under this Section 6.08.

Section 6.09. Insurance and Bonds. The Issuer hereby covenants and agrees, that so long as the Series 2013 C Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance and bonds and workers' compensation

coverage with a reputable insurance carrier or carriers or bonding company or companies covering the following risks and in the following amounts:

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged and destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund.

B. PUBLIC LIABILITY INSURANCE, with limits of not less than \$1,000,000 per occurrence to protect the Issuer from claims for bodily injury and/or death and not less than \$500,000 per occurrence from claims for damage to property of others which may arise from the operation of the System, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

C. WORKERS' COMPENSATION COVERAGE for all employees of or for the system eligible therefor.

D. FLOOD INSURANCE, if the facilities of the System are or will be located in designated special flood or mudslide-prone areas and to the extent available at reasonable cost to the Issuer.

E. BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

F. FIDELITY BONDS will be provided as to every officer, member and employee of the Issuer or the Governing Body having custody of the revenues or of any other funds of the System, in an amount at least equal to the total funds in the custody of any such person at any one time.

Section 6.10. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and, in the event the Issuer or any department, agency, instrumentality, officer or employee thereof shall avail himself or themselves of the facilities or services provided by the System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 6.11. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rates, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid and to the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services and facilities of the System and any services and facilities of the water system, if so owned by the Issuer, to all delinquent users of services and facilities of the System and will not restore such services of either System until all billing for charges for the services and facilities of the System, plus reasonable interest and penalty charges for the restoration of service, has been fully paid. If the water facilities are not owned by the Issuer, the Issuer shall enter into a termination agreement with the water provider, subject to any required approval of such agreement by the Public Service Commission of West Virginia and all rules, regulations and orders of the Public Service Commission of West Virginia.

Section 6.12. Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

Any such house, dwelling or building from which emanates sewage or water-borne waste matter and which is not so connected with the System is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the inhabitants of the Issuer and a public nuisance which shall be abated to the extent permitted by law and as promptly as possible by proceedings in a court of competent jurisdiction.

Section 6.13. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of any franchise or permit to any person, firm, corporation or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 6.14. Books and Records. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the

System, and any Holder of a Series 2013 C Bond or Bonds shall have the right at all reasonable times to inspect the System, and all parts thereof, and all records, accounts and data of the Issuer relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles, to the extent allowable under and in accordance with the rules and regulations of the Public Service Commission of West Virginia and the Act. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner, on the forms, in the books and along with other bookkeeping records as prescribed by the Issuer. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Issuer shall be reported to such agent of the Issuer as it shall direct.

The Issuer shall file with the Original Purchaser and any Bond Insurer, and shall mail to any Bondholder requesting the same, an annual report within 30 days following the date of receipt of the final audit containing a balance sheet, statement of revenues, expenses, and changes in retained earnings, and statement of cash flows, as prescribed by generally accepted accounting principles.

The Issuer shall also file with the Original Purchaser and any Bond Insurer, and mail to any Bondholder requesting the same, an annual report containing the following:

(A) A statement of Gross Revenues, Operating Expenses, and Net Revenues derived from the System.

(B) A statement of account balances in all funds and accounts provided for herein and status of said funds.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be completely audited by an Independent Certified Public Accountant in compliance with OMB Circular 128 or any successor thereto and the Single Audit Act, shall mail upon request, and make available generally, the report of said Independent Certified Public Accountant, or a summary thereof, to any Holder or Holders of Bonds issued pursuant to this Resolution and shall file said report with the Original Purchaser.

Section 6.15. Operating Budget. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, or at such earlier date, prepare and adopt by resolution a detailed budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Original Purchaser and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Original Purchaser, the Bond Insurer, if any, and to any Bondholder or anyone acting for and in behalf of such Bondholder who requests the same.

Section 6.16. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2013 C Bonds, a statutory mortgage lien upon the System is granted and

created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2013 C Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holders of the First Lien Bonds, and senior and prior to the lien in favor of the Holders of the Second Lien Bonds.

Section 6.17. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. **PRIVATE BUSINESS USE LIMITATION.** The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2013 C Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2013 C Bonds during the term thereof is, under the terms of the Series 2013 C Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2013 C Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2013 C Bonds during the term thereof is, under the terms of the Series 2013 C Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2013 C Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the System, or if the Series 2013 C Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System to which such Private Business Use is related.

B. **PRIVATE LOAN LIMITATION.** The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2013 C Bonds or \$5,000,000 are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. **FEDERAL GUARANTEE PROHIBITION.** The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2013 C Bonds to be directly or indirectly “federally guaranteed” within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

D. **INFORMATION RETURN.** The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2013 C Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. **FURTHER ACTIONS.** The Issuer will take all actions that may be required of it so that the interest on the Series 2013 C Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 6.18. Bond Insurance Policy. The Issuer may apply for a bond insurance policy for the Series 2013 C Bonds. In the event a bond insurance policy is obtained, additional covenants and provisions of the Issuer may be required by the Bond Insurer as a condition to insuring the Series 2013 C Bonds. These additional covenants and provisions shall be set forth in a Supplemental Resolution, shall apply to the Series 2013 C Bonds, and shall be controlling in the event any other provisions of this Resolution may be in conflict therewith.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. Each of the following events shall constitute an “Event of Default” with respect to the Series 2013 C Bonds:

(A) If default occurs in the due and punctual payment of the principal of or interest on the Series 2013 C Bonds;

(B) If default occurs in the Issuer’s observance of any of the covenants, agreements or conditions on its part in this Resolution or any Supplemental Resolution or in the Series 2013 C Bonds contained, and such default shall have continued for a period of 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Issuer by any Bondholder or any Bond Insurer;

(C) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America; or

(D) If default occurs with respect to the Prior Bonds or the Prior Resolutions.

The Issuer must cure any covenant default within 30 days after notice of the default, and failure to pay principal of or interest on the Bonds shall be an immediate event of default.

No waivers shall be granted by any party to the Bond documents without the prior written consent of the Bond Insurer, if any.

Section 7.02. Enforcement. Upon the happening and continuance of any Event of Default, any Bondholder or any Bond Insurer may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his rights and, in particular:

(A) Bring suit for any unpaid principal or interest then due;

(B) By mandamus or other appropriate proceeding enforce all rights of the Bondholders, including the right to require the Issuer to perform its duties under the Act and this Resolution;

(C) Bring suit upon the Series 2013 C Bonds;

(D) By action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Bondholders; and

(E) By action or bill in equity enjoin any acts in violation of this Resolution or the rights of the Bondholders.

No remedy by the terms of this Resolution conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Bondholders hereunder or now or hereafter existing at law or by statute. All rights and remedies of the Holders of the Series 2013 C Bonds shall be on a parity with one another and also on parity with those of the Holders of the First Lien Bonds, and senior and prior to those of the Holders of the Second Lien Bonds.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder by the Bondholders shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto.

Section 7.03. Appointment of Receiver. If there be any Event of Default existing and continuing, any Bondholder or any Bond Insurer shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of the principal of and interest on the Bonds, the deposits into the funds and accounts hereby established as herein provided and the payment of Operating Expenses of the System and to apply such rates, rentals, fees, charges or other Revenues in conformity with the provisions of this Resolution and the Act.

The receiver so appointed shall forthwith, directly or by his agents and attorneys, enter into and upon and take possession of all facilities of the System and shall hold, operate, maintain, manage and control such facilities, and each and every part thereof, and in the name

of the Issuer exercise all the rights and powers of the Issuer with respect to said facilities as the Issuer itself might do.

Whenever all that is due upon the Series 2013 C Bonds issued pursuant to this Resolution and interest thereon and under any covenants of this Resolution for reserve, sinking or other funds and accounts and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the Revenues of the System shall have been paid and made good, and all defaults under the provisions of this Resolution shall have been cured and made good, possession of the System shall be surrendered to the Issuer upon the entry of an order of the court to that effect. Upon any subsequent default, any Bondholder shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers hereinabove conferred upon him, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby and a successor receiver appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and the Holders of the Series 2013 C Bonds issued pursuant to this Resolution. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the possession, operation and maintenance of the System, for the sole purpose of the protection of both the Issuer and the Bondholders, and the curing and making good of any default under the provisions of this Resolution, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any assets of the System.

Notwithstanding any other provision of this Resolution, in determining whether the rights of Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of this Resolution, any trustee or Bondholder's committee shall consider the effect on the Bondholders as if no Financial Guaranty Insurance Policy were then in effect.

Section 7.04. Restoration of Issuer and Bondholder. In case any Bondholder shall have proceeded to enforce any right under this Resolution by the appointment of a receiver, by entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer and such Bondholder shall be restored to their former positions and rights hereunder, and all rights and remedies of such Bondholder shall continue as if no such proceedings had been taken.

ARTICLE VIII

REGISTRAR AND PAYING AGENT

Section 8.01. Appointment of Registrar. The Registrar for the Series 2013 C Bonds shall be appointed pursuant to the Supplemental Resolution. The Issuer is hereby authorized and directed to enter into an agreement with the Registrar, the substantial form of which agreement is to be approved by Supplemental Resolution.

Section 8.02. Responsibilities of Registrar. The recitals of fact in the Series 2013 C Bonds shall be taken as statements of the Issuer, and the Registrar shall not be responsible for their accuracy. The Registrar shall not be deemed to make any representation as to, and shall not incur any liability on account of, the validity of the execution of any Series 2013 C Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication on the Series 2013 C Bonds. The Registrar and any successor thereto shall agree to perform all the duties and responsibilities spelled out in this Resolution and any other duties and responsibilities incident thereto, all as provided by said agreement described in Section 8.01.

Section 8.03. Evidence on Which Registrar May Act. Except as otherwise provided by Section 10.02, the Registrar shall be protected in acting upon any notice, resolution, request, consent, order, certificate, opinion or other document believed by it to be genuine and to have been signed or presented by the proper party or parties. Whenever the Registrar shall deem it necessary or desirable that a fact or matter be proved or established prior to taking or suffering any action, such fact or matter, unless other evidence is specifically prescribed, may be deemed to be conclusively proved and established by a certificate of an Authorized Officer of the Issuer, but in its discretion the Registrar may instead accept other evidence of such fact or matter.

Section 8.04. Compensation and Expenses. The Issuer shall pay to the Registrar from time to time reasonable compensation for all services, including the transfer of registration of Bonds, the first exchange of Bonds and the exchange of Bonds in the event of partial redemption, incurred in the performance of its duties hereunder.

Section 8.05. Certain Permitted Acts. The Registrar may become the owner of or may deal in Series 2013 C Bonds as fully and with the same rights it would have if it were not Registrar. To the extent permitted by law, the Registrar may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or effect or aid in any reorganization growing out of the enforcement of the Series 2013 C Bonds or this Resolution, whether or not any such committee shall represent the Holders of a majority in principal amount of the Series 2013 C Bonds Outstanding.

Section 8.06. Resignation of Registrar. The Registrar may at any time resign and be discharged of its duties and obligations under this Resolution by giving not less than 60 days' written notice to the Issuer and publishing in an Authorized Newspaper notice (or mailing such notice to each Bondholder in the event all Series 2013 C Bonds are fully registered), specifying the date when such resignation shall take effect, within 20 days after the giving of such written notice. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Such resignation shall take effect upon the day specified in such notice unless a successor shall have been previously appointed by the Issuer or bondholders, in which event such resignation shall take effect immediately.

Section 8.07. Removal. The Registrar may be removed at any time by the Issuer or by the Holders of a majority in principal amount of the Series 2013 C Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer or by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer, as the case may be. Copies of each such instrument shall be delivered by the Issuer to the Registrar.

Section 8.08. Appointment of Successor. In case at any time the Registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Registrar or of its property shall be appointed, or if any public officer or court shall take charge or control of the Registrar or of its property or affairs, a successor may be appointed by the Holders of a majority in principal amount of the Series 2013 C Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer and such successor Registrar, notification thereof being given to the predecessor Registrar. Pending such appointment, the Issuer shall forthwith appoint a Registrar to fill such vacancy until a successor Registrar shall be appointed by such Bondholders. The Issuer shall publish in an Authorized Newspaper (or mail to each Bondholder in the event all Series 2013 C Bonds are fully registered) notice of any such appointment within 20 days after the effective date of such appointment. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Any successor Registrar appointed by the Issuer shall, immediately and without further act, be superseded by a Registrar appointed by such Bondholders. If in a proper case no appointment of a successor Registrar shall be made within 45 days after the Registrar shall have given to the Issuer written notice of resignation or after the occurrence of any other event requiring such appointment, the Registrar or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Any Registrar appointed under the provisions of this section shall be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Resolution.

Section 8.09. Transfer of Rights and Property to Successor. Any predecessor Registrar or Paying Agent shall pay over, assign and deliver any monies, books and records held by it to its successor.

Section 8.10. Merger or Consolidation. Any company into which the Registrar may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party, or any company to which the Registrar or any public officer or court may sell or transfer all or substantially all of its corporate trust business, shall be the successor to such Registrar without the execution or filing of any paper or the performance of any further act; provided, however, that such company shall be a bank, trust company or national banking association meeting the requirements set forth in Section 8.08.

Section 8.11. Adoption of Authentication. In case any of the Series 2013 C Bonds shall have been authenticated but not delivered, any successor Registrar may adopt a Certificate of Authentication and Registration executed by any predecessor Registrar and deliver such Bonds so authenticated, and, in case any Series 2013 C Bonds shall have been prepared but not authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in its own name.

Section 8.12. Paying Agent. The Bond Commission shall serve as the Paying Agent. Any alternate Paying Agent must be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Resolution. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Bonds shall be and remain DTC-eligible.

Each Paying Agent shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by such Paying Agent in connection with such services solely from monies available therefor.

Any bank, trust company or national banking association with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Resolution. If the position of Paying Agent shall become vacant for any reason, the Issuer shall, within 30 days thereafter, appoint a bank, trust company or national banking association located in the same city as such Paying Agent to fill such vacancy; provided, however, that, if the Issuer shall fail to appoint such Paying Agent within said period, the Bond Commission, a court of competent jurisdiction or a majority of the Bondholders may make such appointment.

The Paying Agent shall enjoy the same protective provisions in the performance of its duties hereunder as are specified in this Article VIII with respect to the Registrar, insofar as such provisions may be applicable.

Notice of the appointment of successor or additional Paying Agents or fiscal agents shall be given in the same manner as provided by Section 8.08 hereof with respect to the appointment of a successor Registrar.

All monies received by the Paying Agent shall, until used or applied as provided in this Resolution, be held in trust for the purposes for which they were received.

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF RESOLUTION

Section 9.01. Defeasance; Discharge of Pledge of Resolution. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 2013 C Bonds the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then this Resolution and the pledges of the Net Revenues and other monies and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Holders of the Series 2013 C Bonds made hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied, except as may be necessary to assure the exclusion of interest on the Series 2013 C Bonds from gross income for federal income tax purposes.

The Series 2013 C Bonds for the payment of which either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on the Series 2013 C Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2013 C Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Bond Commission or escrow trustee either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with the Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on the Series 2013 C Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of the Series 2013 C Bonds prior to the maturity thereof, on and prior to said Redemption Date. Neither securities nor monies deposited with the Bond Commission or escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Series 2013 C Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on the Series 2013 C Bonds on and prior to such maturity or Redemption Dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations, as such term is limited by the provisions in Section 1.01 hereof or such additional securities as shall be set forth in the Supplemental Resolution.

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Resolution. Prior to issuance of the Series 2013 C Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. All provisions required by the Bond Insurer, if any, shall be set forth in the Supplemental Resolution and to the extent they constitute an amendment or modification of the Resolution, shall be controlling. Following issuance of the Series 2013 C Bonds, this Resolution and any Supplemental Resolution may be amended or modified without the consent of any Bondholder or other person, so long as such amendment or modification is not materially adverse to any Bondholder, as determined by an opinion of Bond Counsel. In the event any of the Series 2013 C Bonds are insured, no such amendment or modification which adversely affects the security for such Series 2013 C Bonds or the rights of any Bond Insurer for such Series 2013 C Bonds may be effected without the written consent of such Bond Insurer. In the event that the Series 2013 C Bonds are not insured, no materially adverse amendment or modification to this Resolution, or of any Supplemental Resolution, may be made without the written consent of the Holders of 51% in aggregate principal amount of the Series 2013 C Bonds then Outstanding and affected thereby, which must be filed with the Issuer

before any such modification or amendment may be made. No such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Series 2013 C Bond without the express written consent of the Holder of each Series 2013 C Bond so affected, nor reduce the percentage of Series 2013 C Bonds required for consent to any such modification or amendment.

Section 10.02. Evidence of Signatures of Bondholders and Ownership of Bonds.

Any request, consent, revocation of consent or other instrument which this Resolution may require or permit to be signed and executed by Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys duly authorized in writing. Proof of the execution of any such instrument, or of an instrument appointing or authorizing any such attorney, shall be sufficient for any purpose of this Resolution if made in the following manner, or in any other manner satisfactory to the Issuer or the Registrar, as the case may be, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

A. The fact and date of the execution by any Bondholder or his attorney of any such instrument may be proved (i) by the certificate of a notary public or other officer authorized to take acknowledgments of deeds to be recorded in the jurisdiction in which he purports to act that the person signing such instrument acknowledged to him the execution thereof, or by the affidavit of a witness of such execution, duly sworn to before such a notary public or other officer or (ii) by the certificate, which need not be acknowledged or verified, of an officer of a bank, a trust company or a financial firm or corporation satisfactory to the Issuer or the Registrar, as the case may be, that the person signing such instrument acknowledged to such bank, trust company, firm or corporation the execution thereof.

B. The authority of a person or persons to execute any such instrument on behalf of a corporate Bondholder may be established without further proof if such instrument is signed by a person purporting to be the president or treasurer or a vice-president or an assistant treasurer of such corporation with a corporate seal affixed, and is attested by a person purporting to be its secretary or assistant secretary.

C. The amount of fully registered Bonds held by a person executing any instrument as a Bondholder, the date of his holding such Bonds and the numbers and other identification thereof, shall be confirmed by the Bond Register.

Any request, consent or other instrument executed by the Holder of any Bond shall bind all future Holders and owners of such Bond in respect of anything done or suffered to be done hereunder by the Issuer or the Registrar in accordance therewith.

Section 10.03. Preservation and Inspection of Documents. To the extent allowable under law, all reports, certificates, statements and other documents received by the Registrar under the provisions of this Resolution shall be retained in its possession and shall be available at all reasonable times for the inspection of the Issuer or any Bondholder, and their agents and their representatives, but any such reports, certificates, statements or other documents may, at the election of the Registrar, be destroyed or otherwise disposed of at any time after such date as the pledge created by this Resolution shall be discharged as provided in Section 9.01.

Section 10.04. Cancellation of Bonds. All Bonds purchased or paid shall, if surrendered to the Issuer, be canceled and delivered to the Registrar, or, if surrendered to the Registrar, be canceled by it. No such Bonds shall be deemed Outstanding under this Resolution and no Bonds shall be issued in lieu thereof. All such Bonds shall be canceled and upon order of the Issuer shall be destroyed, and a certificate evidencing such destruction shall be delivered to the Issuer.

Section 10.05. Failure to Present Bonds. Anything in this Resolution to the contrary notwithstanding, any monies held by the Bond Commission or a Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for 1 year after the date on which such Bonds have become due and payable, whether by maturity or upon call for redemption, shall at the written request of the Issuer be paid by the Bond Commission or said Paying Agent to the Issuer as its absolute property and free from trust, and the Bond Commission or said Paying Agent shall thereupon be released and discharged with respect thereto, and the Holders of such Bonds shall look only to the Issuer for the payment of such Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Bond Commission, or said Paying Agent shall send to the Holder, at the address listed on the Bond Register, by certified mail, a notice that such monies remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of such notice is mailed, the balance of such monies then unclaimed will be returned to the Issuer. If any of said Bonds is a coupon Bond, the Registrar or said Paying Agent shall also publish such notice, not less than 30 days prior to the date such monies will be returned to the Issuer, in an Authorized Newspaper.

Section 10.06. Notices, Demands and Requests. Unless otherwise expressly provided, all notices, demands and requests to be given or made hereunder to or by the Issuer, the Registrar, the Paying Agent, the Depository Bank, the Original Purchaser or the Bond Insurer shall be in writing and shall be properly made if sent by United States mail, postage prepaid, and addressed as follows or if hand-delivered to the individual to whom such notice, demand or request is required to be directed as indicated below:

ISSUER

Berkeley County Public Service Sewer District
P.O. Box 944
Martinsburg, West Virginia 25401
Attention: Chairman

REGISTRAR

[Name(s) and address(es) to be set forth in Supplemental Resolution]

DEPOSITORY BANK

[Name and address to be set forth in Supplemental Resolution]

PAYING AGENT

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25301
Attention: Executive Director

ORIGINAL PURCHASER

Crews & Associates, Inc.
521 President Clinton Avenue
Little Rock, Arkansas 72201

BOND INSURER

[Name and address, if any, to be set forth in Supplemental Resolution]

Any party listed above may change such address listed for it at any time upon written notice of change sent by United States mail, postage prepaid, to the other parties.

Section 10.07. No Personal Liability. No member of the Issuer or officer or employee of the Issuer shall be individually or personally liable for the payment of the principal of or the interest on any Bond, but nothing herein contained shall relieve any such member, official or employee from the performance of any official duty provided by law or this Resolution.

Section 10.08. Law Applicable. The laws of the State shall govern the construction of this Resolution and of all Bonds issued hereunder.

Section 10.09. Parties Interested Herein. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Issuer, the Registrar, the Paying Agent, the Holders of the Series 2013 C Bonds and the Original Purchaser, any right, remedy or claim under or by reason of this Resolution. All the covenants, stipulations, promises and agreements contained in this Resolution by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Registrar, the Paying Agent, the Holders of the Series 2013 C Bonds and the Original Purchaser.

Section 10.10. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Resolution.

Section 10.11. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

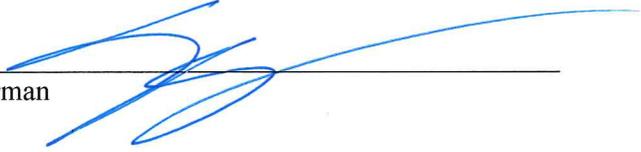
Section 10.12. Conflicting Provisions Repealed. All orders, resolutions or parts thereof in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed; provided that, in the event of any conflict between this Resolution and the resolutions authorizing the Prior Bonds, the resolutions authorizing the Prior Bonds shall control, unless less restrictive, so long as the Prior Bonds are Outstanding.

Section 10.13. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Resolution do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

Section 10.14. Effective Date. This Conformed Bond Resolution shall take effect immediately upon adoption.

Adopted this 15th day of October, 2013.

Chairman

A handwritten signature in blue ink is written over a horizontal black line. The signature is stylized and appears to consist of several loops and a long horizontal stroke extending to the right.

CERTIFICATION

Certified a true, correct and complete copy of a Conformed Bond Resolution duly adopted by the Public Service Board of Berkeley County Public Service Sewer District on the 15th day of October, 2013.

Dated: December 19, 2013.

[SEAL]


Secretary

EXHIBIT A – FORM OF SERIES 2013 C Bond

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

No. CR- _____

\$ _____

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT

(WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C (BANK QUALIFIED)

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
----------------------	----------------------	------------------	------------------

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the “Issuer”), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the “Registered Owner”), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest

Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on _____ 1 and _____ 1, in each year, beginning _____ 1, 20__ (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by _____, _____, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each _____ 15 and _____ 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by _____, _____, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in _____, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$ _____ designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank Qualified) " (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____ 1, 20 __, the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$ _____ is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$ _____ is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on _____, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and

revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

(2) SEWER REVENUE BONDS, SERIES 1990 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$828,629 (THE "SERIES 1990 A BONDS");

(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

(5) SEWER REVENUE BONDS, SERIES 1995 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 9, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,837,640 (THE "SERIES 1995 A BONDS");

(6) SEWER REVENUE BONDS, SERIES 1995 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,138,506 (THE "SERIES 1995 B BONDS");

(7) SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 13, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$319,902 (THE "SERIES 1996 A BONDS");

(8) SEWER REVENUE BONDS, SERIES 1996 B (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,628,633 (THE "SERIES 1996 B BONDS");

(9) SEWER REVENUE BONDS, SERIES 1996 C (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$837,579 (THE "SERIES 1996 C BONDS");

(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

(15) SEWER REVENUE BONDS, SERIES 2001 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 7, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,909,850 (THE "SERIES 2001 B BONDS");

(16) SEWER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 9, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$750,000 (THE "SERIES 2002 A BONDS");

(17) SEWER REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 11, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$456,548 (THE "SERIES 2002 B BONDS");

(18) SEWER REVENUE BONDS, SERIES 2002 C (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,500,000 (THE "SERIES 2002 C BONDS");

(19) SEWER REVENUE BONDS, SERIES 2002 D (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,965,465 (THE "SERIES 2002 D BONDS");

(20) SEWER REVENUE BONDS, SERIES 2002 E (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$560,822 (THE "SERIES 2002 E BONDS");

(21) SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$252,922 (THE "SERIES 2003 A BONDS");

(22) SEWER REVENUE BONDS, SERIES 2003 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$330,862 (THE "SERIES 2003 B BONDS");

(23) SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED NOVEMBER 30, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,999,600 (THE "SERIES 2004 A BONDS");

(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

(26) SEWER REVENUE BONDS, SERIES 2007 C (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 C BONDS");

(27) SEWER REVENUE BONDS, SERIES 2007 D (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,104,000 (THE "SERIES 2007 D BONDS");

(28) SEWER REVENUE BONDS, SERIES 2007 E (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2007 E BONDS");

(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013A BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Issuer intends to issue up to \$2,200,000 in Sewer Revenue Bonds, Series 2013 D (the "Series 2013 D Bonds") to finance pretreatment facilities at the Ecolab site. The Issuer intends to issue the Series 2013 D Bonds on or about December 1, 2013.

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

[This Bond is additionally secured, but only to the extent described in the Statement of Insurance printed on the Bonds, by a policy of financial guaranty bond insurance issued by _____.]

The Bonds of this issue are subject to redemption prior to their stated maturity dates, as provided in the Resolution and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Bonds are not subject to optional redemption prior to _____. At the option of the Issuer, the Bonds will be subject to redemption prior to maturity on and after _____, _____, as a whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) set forth below, plus interest accrued to the date fixed for redemption:

<u>Period During Which Redeemed</u> <u>(Dates Inclusive)</u>	<u>Redemption</u> <u>Price</u>
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(B) Mandatory Sinking Fund Redemption. The Bonds maturing on _____, are subject to mandatory sinking fund redemption prior to maturing on _____ of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing

<u>Year ()</u>	<u>Principal Amount</u>
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Bonds Maturing

<u>Year ()</u>	<u>Principal Amount</u>
-----------------	-------------------------

Bonds Maturing

<u>Year ()</u>	<u>Principal Amount</u>
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* Final Maturity

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Paying Agent on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to

the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

(Manual or Facsimile Signature)
Chairman

ATTEST:

(Manual or Facsimile Signature)
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: _____, 2013.

_____,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute
and appoint

_____ to transfer the said Bond on the books
kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20 ____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

SUPPLEMENTAL PARAMETERS RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING PARAMETERS AS TO DATES, AMOUNTS, MATURITIES, INTEREST RATES, REDEMPTION PROVISIONS, PURCHASE PRICE AND OTHER DETAILS AS TO THE SEWER REFUNDING REVENUE BONDS, SERIES 2013 C (BANK QUALIFIED) OF BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT, A REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT, AND OTHER INSTRUMENTS RELATING TO THE BONDS; APPOINTING A REGISTRAR, PAYING AGENT, AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS AND THE REFUNDING.

WHEREAS, Berkeley County Public Service Sewer District (the "Issuer"), in the County of Berkeley, State of West Virginia, is a public service district and public corporation of said State, the governing body of which is this public service board (the "Governing Body");

WHEREAS, the Governing Body duly adopted on June 18, 2013, a resolution (the "Resolution") entitled:

A RESOLUTION AUTHORIZING THE REFUNDING OF THE SEWER REFUNDING REVENUE BONDS, SERIES 2006 A (BANK-QUALIFIED) (THE "SERIES 2006 A BONDS") OF BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2013 C, OF THE DISTRICT IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$3,455,000, THE PROCEEDS OF WHICH SHALL BE EXPENDED TO REFUND THE SERIES 2006 A BONDS, TO FUND A RESERVE ACCOUNT FOR THE SERIES 2013 C BONDS AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT, A TAX AND NON-ARBITRAGE CERTIFICATE AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH

BONDS AND ADOPTING OTHER PROVISIONS WITH
RESPECT TO SUCH BONDS.

WHEREAS, capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Resolution when used herein;

WHEREAS, the Resolution provided for the refunding of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (the "Series 2006 A Bonds"), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000 and presently outstanding in the approximate principal amount of \$2,790,000, and the issuance by the Issuer of its Sewer Refunding Revenue Bonds, Series 2013 C (Bank Qualified) in the aggregate principal amount of not more than \$3,750,000 (the "Series 2013 C Bonds"), for the purposes of paying a portion of the costs of such refunding, funding all or a portion of a reserve account for the Series 2013 C, and paying costs of issuance thereof, all in accordance with Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act");

WHEREAS, the Resolution further provided that the exact dates, amounts, maturities, interest rates, redemption provisions, purchase price and other terms of the Series 2013 C Bonds should be established by Supplemental Parameters Resolution, that a Registrar, Paying Agent and Depository Bank be designated, that a Bond Purchase Agreement, a Continuing Disclosure Agreement, a Registrar Agreement and an Official Statement be approved and that other matters pertaining to the Series 2013 C Bonds be provided for by a supplemental parameters resolution of the Governing Body, that additional covenants and provisions relating to the Bonds be provided therein, and as may be required by any Bond Insurer as a condition to insuring such Series 2013 C Bonds and that other matters pertaining to the Series 2013 C Bonds be provided for by a supplemental parameters resolution of this Board;

WHEREAS, the Series 2013 C Bonds are proposed to be purchased by Crews & Associates, Inc. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement between the Original Purchaser and the Issuer, to be dated the date of execution thereof and in general form attached hereto and incorporated herein by reference (the "Bond Purchase Agreement");

WHEREAS, the Governing Body has determined that, in order to obtain the best possible savings for the District in the current interest rate environment, the Chairman shall be empowered and authorized to execute the Bond Purchase Agreement, within the parameters set forth herein, at such time as the Chairman shall determine most advantageous to the District, or not at all; and

WHEREAS, the Governing Body deems it essential and desirable that this Resolution be adopted, that the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Registrar Agreement hereinafter provided for be entered into by the Issuer, that the Official Statement relating to the Series 2013 C Bonds, hereinafter described, be approved, that the Issuer's Chairman be authorized to enter into the Bond Purchase Agreement within the parameters hereby approved by the Board, and that other matters relating to the Series 2013 C Bonds be herein provided for, and that other matters relating to the Bonds be herein provided for all in accordance with the Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF
BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT:

Section 1. Pursuant to the Resolution and the Act, this Supplemental Parameters Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2013 C Bonds. The Series 2013 C Bonds shall be issued in the aggregate principal amount not to exceed \$3,750,000, bear interest at a rate not to exceed 8%, payable semiannually each year, shall be dated such date, upon original issuance, shall mature in such principal amounts on such dates (with final maturity no later than October 1, 2025), shall be subject to such redemption provisions, all as shall subsequently be approved by the Chairman; and shall be substantially in the form set forth in the Resolution, provided however, that the specific terms of the Series 2013 C Bonds shall be as determined by the Chairman at the time of the execution of the Bond Purchase Agreement and as approved by the Chairman in the Certificate of Determinations attached hereto as EXHIBIT A. All other provisions relating to the Series 2013 C Bonds shall be as provided in the Resolution, and the Series 2013 C Bonds shall be in substantially the form provided in the Resolution.

Section 2. The Bond Purchase Agreement by and between the Original Purchaser and the Issuer, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Chairman thereof shall be and the same are hereby authorized, approved, and directed. The Chairman is hereby empowered and authorized to execute the Bond Purchase Agreement on behalf of the District at such time as the Chairman shall determine to be most advantageous, provided however, that the net present value savings of the refunding authorized through the execution of the Bond Purchase Agreement shall not be less than 2.5%. The Chairman shall execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by the Chairman. The execution of the Bond Purchase Agreement by the Chairman shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Series 2013 C Bonds, including the payment of all necessary fees and expenses in connection therewith.

Section 3. The Issuer does hereby approve, simultaneously with the closing on the Series 2013 C Bonds, the transfer of all of the monies from the Series 2006 A Bonds Reserve Account held by the West Virginia Municipal Bond Commission, to the Series 2006 A Bonds Sinking Fund to provide sufficient funds, in addition to the proceeds of the Series 2013 C Bonds, to defease the Series 2006 A Bonds.

Section 4. The Continuing Disclosure Agreement from the Issuer, to be dated as of the date of delivery of the Series 2013 C Bonds, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Chairman thereof shall be and the same are hereby authorized, approved and directed. The Chairman shall execute and deliver the Continuing Disclosure Agreement with such changes, insertions and omissions as may be approved by the Chairman. The execution of the Continuing Disclosure Agreement by the Chairman shall be conclusive evidence of any approval required by this Section.

Section 5. The Official Statement to be substantially in the form attached hereto (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Chairman), and the distribution of counterparts or copies thereof by the Original Purchaser are hereby approved. The Chairman shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved by the Chairman. The execution of the Official Statement by the Chairman shall be conclusive evidence of any approval required by this Section. The certificate of the Issuer relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Chairman is hereby ratified and approved.

Section 6. The Registrar Agreement by and between the Issuer and the Registrar designated herein, to be dated as of the date of delivery of the Series 2013 C Bonds, substantially in the form submitted to this meeting, shall be and the same is hereby approved. The Chairman shall execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be approved by the Chairman. The execution of the Registrar Agreement by the Chairman shall be conclusive evidence of any approval required by this Section.

Section 7. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Series 2013 C Bonds.

Section 8. The Issuer does hereby appoint and designate United Bank, Inc., Charleston, West Virginia, for the purpose of serving in the capacity of Registrar and United Bank, Inc., Charleston, West Virginia, as Depository Bank.

Section 9. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission for the purpose of serving in the capacity of Paying Agent.

Section 10. The notice addresses for the Registrar, Paying Agent and Original Purchaser shall be as follows:

REGISTRAR

United Bank, Inc.
500 Virginia Street, East
Charleston, West Virginia 25301
Attention: Trust Department

PAYING AGENT

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25302
Attention: Executive Director

ORIGINAL PURCHASER

Crews & Associates, Inc.
300 Summers Street, Suite 930
Charleston, West Virginia 25301
Attention: Vice President

Section 11. The Bond Purchase Agreement shall contain a certification from the Original Purchaser of the Series 2013 C Bonds that the terms of the Bonds agreed to in the Bond Purchase Agreement result in a net savings to the Issuer after deducting all expenses of the refundings.

Section 12. This Supplemental Parameters Resolution shall be effective immediately.

Adopted this 18th day of June, 2013.

Chairman

A handwritten signature in blue ink is written over a horizontal line. The signature is stylized and appears to consist of several overlapping loops and strokes.

CERTIFICATION

Certified a true, correct and complete copy of a Supplemental Parameters Resolution duly adopted by the Public Service Board of BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT on the 18th day of June, 2013.

Dated: December 19, 2013.

[SEAL]

Secretary

A handwritten signature in blue ink, appearing to be "J. M. Lynn", is written over a horizontal line. The signature is cursive and stylized.

EXHIBIT A - FORM OF CERTIFICATE OF DETERMINATIONS

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT

SEWER REFUNDING REVENUE BONDS,

SERIES 2013 C

CERTIFICATE OF DETERMINATIONS

The undersigned, _____, Chairman of Berkeley County Public Service Sewer District (the "Issuer"), in accordance with the Supplemental Parameters Resolution adopted by the Public Service Board of the Issuer on June 18, 2013 (the "Supplemental Parameters Resolution"), with respect to the Issuer's Sewer Refunding Revenue Bonds, Series 2013 C (Bank Qualified) (the "Series 2013 C Bonds"), hereby finds and determines as follows:

1. The Series 2013 C Bonds shall be dated _____ 1, 2013 and shall bear interest on April 1 and October 1 of each year commencing October 1, 2013.

2. The Series 2013 C Bonds shall be issued in the aggregate principal amount of \$ _____, at a true interest cost of _____%. Such interest rates do not exceed 8%, being the maximum interest rate authorized by the Supplemental Parameters Resolution. The net present value benefit is _____% of the Series 2013 C Bonds which exceeds the 2.5% required by the Supplemental Parameters Resolution.

3. The Series 2013 C Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. The Series 2013 C Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

5. The Series 2013 C Bonds shall be subject to optional and mandatory redemption as set forth on Schedule 2 attached hereto and incorporated herein.

6. The Series 2013 C Bonds shall be sold to Crews & Associates, Incorporated (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, at an aggregate purchase price of \$ _____ (representing par value less an Underwriter's discount of \$ _____ and a net original issue premium of \$ _____), plus

interest accrued of \$ _____ on the Series 2013 C Bonds from _____ 1, 20_____ to _____, 2013 (the "Closing Date").

7. Based upon the actual principal amount, maturity schedule and interest rates for the Series 2013 C Bonds, attached hereto, it is hereby determined that the Series 2013 C Bonds show a net savings to the Issuer after deducting all expenses of the refunding.

8. The forms of the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Registrar Agreement and Official Statement attached hereto are hereby approved.

The undersigned hereby certifies that the foregoing terms and conditions of the Series 2013 C Bonds are within the parameters prescribed by the Supplemental Parameters Resolution, and the Series 2013 C Bonds may be issued with such terms and conditions as authorized by the Supplemental Parameters Resolution.

WITNESS my signature this _____ day of _____, 2013.

BERKELEY COUNTY PUBLIC SERVICE SEWER
DISTRICT

By: _____
Its: Chairman

Schedule 1

Maturity Schedule

SERIES 2013 C BOND TERMS

<u>Bond No.</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price or Yield</u>
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Series 2013 C Bonds Redemption Provisions:

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT

SECOND SUPPLEMENTAL RESOLUTION

SECOND SUPPLEMENTAL RESOLUTION MODIFYING THE SUPPLEMENTAL PARAMETERS RESOLUTION REGARDING CERTAIN PROVISIONS RELATING TO THE SERIES 2013 C BONDS; APPROVING A CONFORMED ORDINANCE; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Governing Body duly adopted on June 18, 2013, a resolution (the "Bond Resolution") entitled:

A RESOLUTION AUTHORIZING THE REFUNDING OF THE SEWER REFUNDING REVENUE BONDS, SERIES 2006 A (BANK-QUALIFIED) (THE "SERIES 2006 A BONDS") OF BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2013 C (BANK QUALIFIED), OF THE DISTRICT IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$3,455,000, THE PROCEEDS OF WHICH SHALL BE EXPENDED TO REFUND THE SERIES 2006 A BONDS, TO FUND A RESERVE ACCOUNT FOR THE SERIES 2013 C BONDS AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT, A TAX AND NON-ARBITRAGE CERTIFICATE AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

WHEREAS, the Board of the Berkeley County Public Service Sewer District (the "Issuer") adopted its Supplemental Parameters Resolution On June 18, 2013 (the "Supplemental Parameters Resolution") entitled;

SUPPLEMENTAL RESOLUTION PROVIDING PARAMETERS AS TO DATES, AMOUNTS, MATURITIES, INTEREST RATES, REDEMPTION PROVISIONS, PURCHASE PRICE AND OTHER DETAILS AS TO THE SEWER REFUNDING REVENUE BONDS, SERIES 2013 C (BANK QUALIFIED) OF BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT, A REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT, AND OTHER INSTRUMENTS RELATING TO THE BONDS; APPOINTING A REGISTRAR, PAYING AGENT, AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS AND THE REFUNDING.

WHEREAS, since adoption of the Bond Resolution, the Issuer has issued its Series 2013 A Bonds and Series 2013 B Bonds to refund its Series 2006 A CIF Bonds;

WHEREAS, the Issuer desires to refund the Series 2006 B Bonds in addition to the Series 2006 A Bonds with the Series 2013 C Bonds;

WHEREAS, the Issuer desires to approve a Conformed Bond Resolution; and

WHEREAS, the Board deems it essential and desirable that this Second Supplemental Resolution be adopted.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT:

1. This Second Supplemental Resolution is hereby adopted;
2. Section 3 of the Supplemental Parameters Resolution is hereby revised and replaced as follows:

Section 3. The Issuer does hereby approve, simultaneously with the closing on the Series 2013 C Bonds, the transfer of all of the monies from the Series 2006 Bonds Reserve Account held by the West Virginia Municipal Bond Commission, to the Series 2006 A Bonds Sinking Fund and the Series 2006 B Bonds Sinking Fund to provide sufficient funds,

in addition to the proceeds of the Series 2013 C Bonds, to defease the Series 2006 A Bonds and Series 2006 B Bonds.

3. The Issuer does hereby approve the Conformed Bond Resolution, attached hereto as Exhibit A which incorporates the refunding of the Series 2006 A CIF Bonds with the Series 2013 A Bonds and Series 2013 B Bonds; authorizes the refunding of the Series 2006 B Bonds with the Series 2013 C Bonds; and makes other technical corrections.

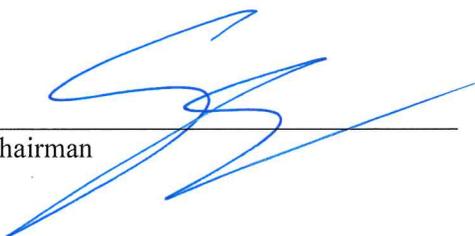
4. The Tax Compliance Policy, attached hereto as Exhibit C, is hereby approved.

5. This Second Supplemental Resolution shall be effective immediately following adoption hereof.

[Remainder of Page Intentionally Blank]

Adopted this 15th day of October, 2013.

Chairman

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CERTIFICATION

Certified a true copy of a Second Supplemental Resolution duly adopted by the Board of the Berkeley County Public Service District on the 15th day of October, 2013.

Dated: December 19, 2013.

[SEAL]


Secretary

EXHIBIT A

CONFORMED BOND RESOLUTION

(SEE TRANSCRIPT TAB 1A)

EXHIBIT B

TAX COMPLIANCE POLICY

(SEE TRANSCRIPT TAB 3B)

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

No. CR-1

SPECIMEN

\$185,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
2.000%	10/01/2014	12/19/2013	084249 CQ2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

(2) SEWER REVENUE BONDS, SERIES 1990 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$828,629 (THE "SERIES 1990 A BONDS");

(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

(5) SEWER REVENUE BONDS, SERIES 1995 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 9, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,837,640 (THE "SERIES 1995 A BONDS");

(6) SEWER REVENUE BONDS, SERIES 1995 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,138,506 (THE "SERIES 1995 B BONDS");

(7) SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 13, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$319,902 (THE "SERIES 1996 A BONDS");

(8) SEWER REVENUE BONDS, SERIES 1996 B (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,628,633 (THE "SERIES 1996 B BONDS");

(9) SEWER REVENUE BONDS, SERIES 1996 C (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$837,579 (THE "SERIES 1996 C BONDS");

(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

(15) SEWER REVENUE BONDS, SERIES 2001 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 7, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,909,850 (THE "SERIES 2001 B BONDS");

(16) SEWER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 9, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$750,000 (THE "SERIES 2002 A BONDS");

(17) SEWER REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 11, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$456,548 (THE "SERIES 2002 B BONDS");

(18) SEWER REVENUE BONDS, SERIES 2002 C (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,500,000 (THE "SERIES 2002 C BONDS");

(19) SEWER REVENUE BONDS, SERIES 2002 D (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,965,465 (THE "SERIES 2002 D BONDS");

(20) SEWER REVENUE BONDS, SERIES 2002 E (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$560,822 (THE "SERIES 2002 E BONDS");

(21) SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$252,922 (THE "SERIES 2003 A BONDS");

(22) SEWER REVENUE BONDS, SERIES 2003 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$330,862 (THE "SERIES 2003 B BONDS");

(23) SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED NOVEMBER 30, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,999,600 (THE "SERIES 2004 A BONDS");

(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

(26) SEWER REVENUE BONDS, SERIES 2007 C (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 C BONDS");

(27) SEWER REVENUE BONDS, SERIES 2007 D (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,104,000 (THE "SERIES 2007 D BONDS");

(28) SEWER REVENUE BONDS, SERIES 2007 E (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2007 E BONDS");

(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

Chairman

SPECIMEN

ATTEST:

Secretary

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar

By: _____

Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and
appoint

_____ to transfer the said Bond on the books
kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

No. CR-2

SPECIMEN

\$215,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
2.000%	10/01/2015	12/19/2013	084249 CR0

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED FIFTEEN THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds:

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

(2) SEWER REVENUE BONDS, SERIES 1990 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$828,629 (THE "SERIES 1990 A BONDS");

(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

(5) SEWER REVENUE BONDS, SERIES 1995 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 9, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,837,640 (THE "SERIES 1995 A BONDS");

(6) SEWER REVENUE BONDS, SERIES 1995 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,138,506 (THE "SERIES 1995 B BONDS");

(7) SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 13, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$319,902 (THE "SERIES 1996 A BONDS");

(8) SEWER REVENUE BONDS, SERIES 1996 B (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,628,633 (THE "SERIES 1996 B BONDS");

(9) SEWER REVENUE BONDS, SERIES 1996 C (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$837,579 (THE "SERIES 1996 C BONDS");

(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

(15) SEWER REVENUE BONDS, SERIES 2001 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 7, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,909,850 (THE "SERIES 2001 B BONDS");

(16) SEWER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 9, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$750,000 (THE "SERIES 2002 A BONDS");

(17) SEWER REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 11, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$456,548 (THE "SERIES 2002 B BONDS");

(18) SEWER REVENUE BONDS, SERIES 2002 C (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,500,000 (THE "SERIES 2002 C BONDS");

(19) SEWER REVENUE BONDS, SERIES 2002 D (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,965,465 (THE "SERIES 2002 D BONDS");

(20) SEWER REVENUE BONDS, SERIES 2002 E (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$560,822 (THE "SERIES 2002 E BONDS");

(21) SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$252,922 (THE "SERIES 2003 A BONDS");

(22) SEWER REVENUE BONDS, SERIES 2003 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$330,862 (THE "SERIES 2003 B BONDS");

(23) SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED NOVEMBER 30, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,999,600 (THE "SERIES 2004 A BONDS");

(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

(26) SEWER REVENUE BONDS, SERIES 2007 C (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 C BONDS");

(27) SEWER REVENUE BONDS, SERIES 2007 D (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,104,000 (THE "SERIES 2007 D BONDS");

(28) SEWER REVENUE BONDS, SERIES 2007 E (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2007 E BONDS");

(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

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IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

Chairman

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar

By: _____

[Handwritten Signature]
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and
appoint

_____ to transfer the said Bond on the books
kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20 ____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the
name as it appears upon the face of the within Bond in every particular, without alteration or any
change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

No. CR-3

SPECIMEN

\$220,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
2.000%	10/01/2016	12/19/2013	084249 CS8

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED TWENTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

(2) SEWER REVENUE BONDS, SERIES 1990 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$828,629 (THE "SERIES 1990 A BONDS");

(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

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(6) SEWER REVENUE BONDS, SERIES 1995 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,138,506 (THE "SERIES 1995 B BONDS");

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(8) SEWER REVENUE BONDS, SERIES 1996 B (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,628,633 (THE "SERIES 1996 B BONDS");

(9) SEWER REVENUE BONDS, SERIES 1996 C (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$837,579 (THE "SERIES 1996 C BONDS");

(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

(15) SEWER REVENUE BONDS, SERIES 2001 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 7, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,909,850 (THE "SERIES 2001 B BONDS");

(16) SEWER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 9, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$750,000 (THE "SERIES 2002 A BONDS");

(17) SEWER REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 11, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$456,548 (THE "SERIES 2002 B BONDS");

(18) SEWER REVENUE BONDS, SERIES 2002 C (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,500,000 (THE "SERIES 2002 C BONDS");

(19) SEWER REVENUE BONDS, SERIES 2002 D (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,965,465 (THE "SERIES 2002 D BONDS");

(20) SEWER REVENUE BONDS, SERIES 2002 E (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$560,822 (THE "SERIES 2002 E BONDS");

(21) SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$252,922 (THE "SERIES 2003 A BONDS");

(22) SEWER REVENUE BONDS, SERIES 2003 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$330,862 (THE "SERIES 2003 B BONDS");

(23) SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED NOVEMBER 30, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,999,600 (THE "SERIES 2004 A BONDS");

(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

(26) SEWER REVENUE BONDS, SERIES 2007 C (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 C BONDS");

(27) SEWER REVENUE BONDS, SERIES 2007 D (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,104,000 (THE "SERIES 2007 D BONDS");

(28) SEWER REVENUE BONDS, SERIES 2007 E (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2007 E BONDS");

(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Chairman

ATTEST:



Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar/

By: _____

[Signature]
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and
appoint

_____ to transfer the said Bond on the books
kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

SPECIMEN

No. CR-4

\$225,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
2.000%	10/01/2017	12/19/2013	084249 CT6

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

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(8) SEWER REVENUE BONDS, SERIES 1996 B (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,628,633 (THE "SERIES 1996 B BONDS");

(9) SEWER REVENUE BONDS, SERIES 1996 C (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$837,579 (THE "SERIES 1996 C BONDS");

(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

(15) SEWER REVENUE BONDS, SERIES 2001 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 7, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,909,850 (THE "SERIES 2001 B BONDS");

(16) SEWER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 9, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$750,000 (THE "SERIES 2002 A BONDS");

(17) SEWER REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 11, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$456,548 (THE "SERIES 2002 B BONDS");

(18) SEWER REVENUE BONDS, SERIES 2002 C (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,500,000 (THE "SERIES 2002 C BONDS");

(19) SEWER REVENUE BONDS, SERIES 2002 D (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,965,465 (THE "SERIES 2002 D BONDS");

(20) SEWER REVENUE BONDS, SERIES 2002 E (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$560,822 (THE "SERIES 2002 E BONDS");

(21) SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$252,922 (THE "SERIES 2003 A BONDS");

(22) SEWER REVENUE BONDS, SERIES 2003 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$330,862 (THE "SERIES 2003 B BONDS");

(23) SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED NOVEMBER 30, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,999,600 (THE "SERIES 2004 A BONDS");

(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

(26) SEWER REVENUE BONDS, SERIES 2007 C (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 C BONDS");

(27) SEWER REVENUE BONDS, SERIES 2007 D (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,104,000 (THE "SERIES 2007 D BONDS");

(28) SEWER REVENUE BONDS, SERIES 2007 E (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2007 E BONDS");

(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Chairman

ATTEST:



Secretary

SPECIMEN

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar

By: _____

Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and
appoint

_____ to transfer the said Bond on the books
kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

No. CR-5

SPECIMEN

\$230,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
3.000%	10/01/2018	12/19/2013	084249 CU3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED THIRTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

(2) SEWER REVENUE BONDS, SERIES 1990 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$828,629 (THE "SERIES 1990 A BONDS");

(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

(5) SEWER REVENUE BONDS, SERIES 1995 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 9, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,837,640 (THE "SERIES 1995 A BONDS");

(6) SEWER REVENUE BONDS, SERIES 1995 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,138,506 (THE "SERIES 1995 B BONDS");

(7) SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 13, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$319,902 (THE "SERIES 1996 A BONDS");

(8) SEWER REVENUE BONDS, SERIES 1996 B (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,628,633 (THE "SERIES 1996 B BONDS");

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(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, SERIES 2001 A (WEST - VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

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(19) SEWER REVENUE BONDS, SERIES 2002 D (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,965,465 (THE "SERIES 2002 D BONDS");

(20) SEWER REVENUE BONDS, SERIES 2002 E (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$560,822 (THE "SERIES 2002 E BONDS");

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(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

(26) SEWER REVENUE BONDS, SERIES 2007 C (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 C BONDS");

(27) SEWER REVENUE BONDS, SERIES 2007 D (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,104,000 (THE "SERIES 2007 D BONDS");

(28) SEWER REVENUE BONDS, SERIES 2007 E (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2007 E BONDS");

(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Chairman

ATTEST:



Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar

By: _____


Its Authorized Officer

STEPTOE & JOHNSON
SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and
appoint

_____ to transfer the said Bond on the books
kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20 ____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

No. CR-6

SPECIMEN

\$235,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
3.000%	10/01/2019	12/19/2013	084249 CV1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED THIRTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

(2) SEWER REVENUE BONDS, SERIES 1990 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$828,629 (THE "SERIES 1990 A BONDS");

(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

(5) SEWER REVENUE BONDS, SERIES 1995 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 9, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,837,640 (THE "SERIES 1995 A BONDS");

(6) SEWER REVENUE BONDS, SERIES 1995 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,138,506 (THE "SERIES 1995 B BONDS");

(7) SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 13, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$319,902 (THE "SERIES 1996 A BONDS");

(8) SEWER REVENUE BONDS, SERIES 1996 B (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,628,633 (THE "SERIES 1996 B BONDS");

(9) SEWER REVENUE BONDS, SERIES 1996 C (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$837,579 (THE "SERIES 1996 C BONDS");

(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

(15) SEWER REVENUE BONDS, SERIES 2001 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 7, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,909,850 (THE "SERIES 2001 B BONDS");

(16) SEWER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 9, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$750,000 (THE "SERIES 2002 A BONDS");

(17) SEWER REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 11, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$456,548 (THE "SERIES 2002 B BONDS");

(18) SEWER REVENUE BONDS, SERIES 2002 C (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,500,000 (THE "SERIES 2002 C BONDS");

(19) SEWER REVENUE BONDS, SERIES 2002 D (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,965,465 (THE "SERIES 2002 D BONDS");

(20) SEWER REVENUE BONDS, SERIES 2002 E (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$560,822 (THE "SERIES 2002 E BONDS");

(21) SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$252,922 (THE "SERIES 2003 A BONDS");

(22) SEWER REVENUE BONDS, SERIES 2003 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$330,862 (THE "SERIES 2003 B BONDS");

(23) SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED NOVEMBER 30, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,999,600 (THE "SERIES 2004 A BONDS");

(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

(26) SEWER REVENUE BONDS, SERIES 2007 C (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 C BONDS");

(27) SEWER REVENUE BONDS, SERIES 2007 D (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,104,000 (THE "SERIES 2007 D BONDS");

(28) SEWER REVENUE BONDS, SERIES 2007 E (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2007 E BONDS");

(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

Chairman

ATTEST:

Secretary

SPECIMEN

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar

By: _____

Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and
appoint

_____ to transfer the said Bond on the books
kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

No. CR-7

SPECIMEN

\$240,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
2.750%	10/01/2020	12/19/2013	084249 CW9

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED FORTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

(2) SEWER REVENUE BONDS, SERIES 1990 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$828,629 (THE "SERIES 1990 A BONDS");

(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

(5) SEWER REVENUE BONDS, SERIES 1995 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 9, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,837,640 (THE "SERIES 1995 A BONDS");

(6) SEWER REVENUE BONDS, SERIES 1995 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,138,506 (THE "SERIES 1995 B BONDS");

(7) SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 13, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$319,902 (THE "SERIES 1996 A BONDS");

(8) SEWER REVENUE BONDS, SERIES 1996 B (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,628,633 (THE "SERIES 1996 B BONDS");

(9) SEWER REVENUE BONDS, SERIES 1996 C (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$837,579 (THE "SERIES 1996 C BONDS");

(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, - SERIES 2001 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

(15) SEWER REVENUE BONDS, SERIES 2001 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 7, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,909,850 (THE "SERIES 2001 B BONDS");

(16) SEWER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 9, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$750,000 (THE "SERIES 2002 A BONDS");

(17) SEWER REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 11, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$456,548 (THE "SERIES 2002 B BONDS");

(18) SEWER REVENUE BONDS, SERIES 2002 C (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,500,000 (THE "SERIES 2002 C BONDS");

(19) SEWER REVENUE BONDS, SERIES 2002 D (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,965,465 (THE "SERIES 2002 D BONDS");

(20) SEWER REVENUE BONDS, SERIES 2002 E (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$560,822 (THE "SERIES 2002 E BONDS");

(21) SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$252,922 (THE "SERIES 2003 A BONDS");

(22) SEWER REVENUE BONDS, SERIES 2003 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$330,862 (THE "SERIES 2003 B BONDS");

(23) SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED NOVEMBER 30, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,999,600 (THE "SERIES 2004 A BONDS");

(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

(26) SEWER REVENUE BONDS, SERIES 2007 C (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 C BONDS");

(27) SEWER REVENUE BONDS, SERIES 2007 D (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,104,000 (THE "SERIES 2007 D BONDS");

(28) SEWER REVENUE BONDS, SERIES 2007 E (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2007 E BONDS");

(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Chairman

ATTEST:



Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar

By: _____

Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and appoint

_____ to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

No. CR-8

SPECIMEN

\$250,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
3.000%	10/01/2021	12/19/2013	084249 CX7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED FIFTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

(2) SEWER REVENUE BONDS, SERIES 1990 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$828,629 (THE "SERIES 1990 A BONDS");

(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

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(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

(15) SEWER REVENUE BONDS, SERIES 2001 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 7, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,909,850 (THE "SERIES 2001 B BONDS");

(16) SEWER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 9, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$750,000 (THE "SERIES 2002 A BONDS");

(17) SEWER REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 11, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$456,548 (THE "SERIES 2002 B BONDS");

(18) SEWER REVENUE BONDS, SERIES 2002 C (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,500,000 (THE "SERIES 2002 C BONDS");

(19) SEWER REVENUE BONDS, SERIES 2002 D (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,965,465 (THE "SERIES 2002 D BONDS");

(20) SEWER REVENUE BONDS, SERIES 2002 E (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$560,822 (THE "SERIES 2002 E BONDS");

(21) SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$252,922 (THE "SERIES 2003 A BONDS");

(22) SEWER REVENUE BONDS, SERIES 2003 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$330,862 (THE "SERIES 2003 B BONDS");

(23) SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED NOVEMBER 30, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,999,600 (THE "SERIES 2004 A BONDS");

(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

(26) SEWER REVENUE BONDS, SERIES 2007 C (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 C BONDS");

(27) SEWER REVENUE BONDS, SERIES 2007 D (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,104,000 (THE "SERIES 2007 D BONDS");

(28) SEWER REVENUE BONDS, SERIES 2007 E (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2007 E BONDS");

(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

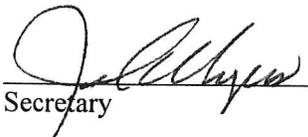
[SEAL]



Chairman

SPECIMEN

ATTEST:



Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar

By: _____

K. J. Smith
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and appoint

_____ to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

No. CR-9

SPECIMEN

\$255,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
3.125%	10/01/2022	12/19/2013	084249 CY5

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED FIFTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

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(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

(5) SEWER REVENUE BONDS, SERIES 1995 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 9, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,837,640 (THE "SERIES 1995 A BONDS");

(6) SEWER REVENUE BONDS, SERIES 1995 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,138,506 (THE "SERIES 1995 B BONDS");

(7) SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 13, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$319,902 (THE "SERIES 1996 A BONDS");

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(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

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(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

(15) SEWER REVENUE BONDS, SERIES 2001 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 7, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,909,850 (THE "SERIES 2001 B BONDS");

(16) SEWER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 9, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$750,000 (THE "SERIES 2002 A BONDS");

(17) SEWER REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 11, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$456,548 (THE "SERIES 2002 B BONDS");

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(23) SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED NOVEMBER 30, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,999,600 (THE "SERIES 2004 A BONDS");

(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

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(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Chairman

ATTEST:



Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar

By: _____

Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and
appoint

_____ to transfer the said Bond on the books
kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

No. CR-10

SPECIMEN

\$265,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
3.250%	10/01/2023	12/19/2013	084249 CZ2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED SIXTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

(2) SEWER REVENUE BONDS, SERIES 1990 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$828,629 (THE "SERIES 1990 A BONDS");

(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

(5) SEWER REVENUE BONDS, SERIES 1995 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 9, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,837,640 (THE "SERIES 1995 A BONDS");

(6) SEWER REVENUE BONDS, SERIES 1995 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,138,506 (THE "SERIES 1995 B BONDS");

(7) SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 13, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$319,902 (THE "SERIES 1996 A BONDS");

(8) SEWER REVENUE BONDS, SERIES 1996 B (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,628,633 (THE "SERIES 1996 B BONDS");

(9) SEWER REVENUE BONDS, SERIES 1996 C (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$837,579 (THE "SERIES 1996 C BONDS");

(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

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(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

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(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Chairman

ATTEST:



Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar

By: _____

Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and appoint

_____ to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

No. CR-11

SPECIMEN

\$275,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
3.400%	10/01/2024	12/19/2013	084249 DA6

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

(2) SEWER REVENUE BONDS, SERIES 1990 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$828,629 (THE "SERIES 1990 A BONDS");

(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

(5) SEWER REVENUE BONDS, SERIES 1995 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 9, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,837,640 (THE "SERIES 1995 A BONDS");

(6) SEWER REVENUE BONDS, SERIES 1995 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,138,506 (THE "SERIES 1995 B BONDS");

(7) SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 13, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$319,902 (THE "SERIES 1996 A BONDS");

(8) SEWER REVENUE BONDS, SERIES 1996 B (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,628,633 (THE "SERIES 1996 B BONDS");

(9) SEWER REVENUE BONDS, SERIES 1996 C (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$837,579 (THE "SERIES 1996 C BONDS");

(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

(15) SEWER REVENUE BONDS, SERIES 2001 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 7, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,909,850 (THE "SERIES 2001 B BONDS");

(16) SEWER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 9, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$750,000 (THE "SERIES 2002 A BONDS");

(17) SEWER REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 11, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$456,548 (THE "SERIES 2002 B BONDS");

(18) SEWER REVENUE BONDS, SERIES 2002 C (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,500,000 (THE "SERIES 2002 C BONDS");

(19) SEWER REVENUE BONDS, SERIES 2002 D (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,965,465 (THE "SERIES 2002 D BONDS");

(20) SEWER REVENUE BONDS, SERIES 2002 E (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$560,822 (THE "SERIES 2002 E BONDS");

(21) SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$252,922 (THE "SERIES 2003 A BONDS");

(22) SEWER REVENUE BONDS, SERIES 2003 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$330,862 (THE "SERIES 2003 B BONDS");

(23) SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED NOVEMBER 30, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,999,600 (THE "SERIES 2004 A BONDS");

(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

(26) SEWER REVENUE BONDS, SERIES 2007 C (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 C BONDS");

(27) SEWER REVENUE BONDS, SERIES 2007 D (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,104,000 (THE "SERIES 2007 D BONDS");

(28) SEWER REVENUE BONDS, SERIES 2007 E (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2007 E BONDS");

(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Chairman

ATTEST:



Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar

By: _____

Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and
appoint

_____ to transfer the said Bond on the books
kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond 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.

SPECIMEN

No. CR-12

\$285,000

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2013 C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>BOND DATE</u>	<u>CUSIP NO.</u>
3.500%	10/01/2025	12/19/2013	084249 DB4

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA), a public service district and public corporation and political subdivision of the State of West Virginia in Berkeley County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on April 1 and October 1, in each year, beginning April 1, 2014 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Resolution.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each March 15 and September 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by United Bank, Inc., West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least \$500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$2,880,000 designated "Berkeley County Public Service Sewer District Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated December 19, 2013 the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund all of the Issuer's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$3,665,000, of which approximately \$2,610,000 is currently outstanding (the "Series 2006 A Bonds"); and Sewer Refunding Revenue Bonds, Series 2006 B (Non Bank-Qualified), dated October 1, 2006, issued in the original aggregate principal amount of \$240,000, of which approximately \$240,000 is currently outstanding (the "Series 2006 B Bonds" and collectively with the Series 2006 A Bonds, the "Series 2006 Bonds"); (ii) to fund the Series 2013 C Bonds Reserve Account (as hereinafter defined); and (iii) to pay certain costs of issuance of the Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 18, 2013, and supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 18, 2013 and amended and supplemented by a Second Supplemental Resolution and Conformed Bond Resolution duly adopted by the Issuer on October 15, 2013 (hereinafter collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. The Resolution provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Resolution. Reference is hereby made to the Resolution, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds.

THE SERIES 2013 C BONDS WILL RANK ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1986 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MARCH 7, 1986, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,638,194 (THE "SERIES 1986 B BONDS");

(2) SEWER REVENUE BONDS, SERIES 1990 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$828,629 (THE "SERIES 1990 A BONDS");

(3) SEWER REVENUE BONDS, SERIES 1994 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED OCTOBER 5, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$494,288 (THE "SERIES 1994 A BONDS");

(4) SEWER REVENUE BONDS, SERIES 1994 C (WEST VIRGINIA SRF PROGRAM), DATED NOVEMBER 17, 1994, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,772,879 (THE "SERIES 1994 C BONDS");

(5) SEWER REVENUE BONDS, SERIES 1995 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 9, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,837,640 (THE "SERIES 1995 A BONDS");

(6) SEWER REVENUE BONDS, SERIES 1995 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 29, 1995, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,138,506 (THE "SERIES 1995 B BONDS");

(7) SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 13, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$319,902 (THE "SERIES 1996 A BONDS");

(8) SEWER REVENUE BONDS, SERIES 1996 B (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,628,633 (THE "SERIES 1996 B BONDS");

(9) SEWER REVENUE BONDS, SERIES 1996 C (WEST VIRGINIA SRF PROGRAM), DATED MAY 1, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$837,579 (THE "SERIES 1996 C BONDS");

(10) SEWER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 12, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$148,000 (THE "SERIES 1997 A BONDS");

(11) SEWER REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,250,000 (THE "SERIES 1997 B BONDS");

(12) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED OCTOBER 28, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,707,296 (THE "SERIES 1999 A BONDS");

(13) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 25, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$937,500 (THE "SERIES 2000 A BONDS");

(14) SEWER REVENUE BONDS, SERIES 2001 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED MARCH 30, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$429,000 (THE "SERIES 2001 A BONDS");

(15) SEWER REVENUE BONDS, SERIES 2001 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 7, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,909,850 (THE "SERIES 2001 B BONDS");

(16) SEWER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 9, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$750,000 (THE "SERIES 2002 A BONDS");

(17) SEWER REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 11, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$456,548 (THE "SERIES 2002 B BONDS");

(18) SEWER REVENUE BONDS, SERIES 2002 C (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$30,500,000 (THE "SERIES 2002 C BONDS");

(19) SEWER REVENUE BONDS, SERIES 2002 D (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,965,465 (THE "SERIES 2002 D BONDS");

(20) SEWER REVENUE BONDS, SERIES 2002 E (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 28, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$560,822 (THE "SERIES 2002 E BONDS");

(21) SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$252,922 (THE "SERIES 2003 A BONDS");

(22) SEWER REVENUE BONDS, SERIES 2003 B (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 14, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$330,862 (THE "SERIES 2003 B BONDS");

(23) SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED NOVEMBER 30, 2004, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,999,600 (THE "SERIES 2004 A BONDS");

(24) SEWER REVENUE BONDS, SERIES 2007 A (BANK QUALIFIED), DATED MARCH 1, 2007, DELIVERED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,970,000 (THE "SERIES 2007 A BONDS");

(25) SEWER REVENUE BONDS, SERIES 2007 B (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 B BONDS");

(26) SEWER REVENUE BONDS, SERIES 2007 C (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,000,000 (THE "SERIES 2007 C BONDS");

(27) SEWER REVENUE BONDS, SERIES 2007 D (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,104,000 (THE "SERIES 2007 D BONDS");

(28) SEWER REVENUE BONDS, SERIES 2007 E (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 2007 E BONDS");

(29) SEWER REVENUE BONDS, SERIES 2007 F (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED MARCH 6, 2007, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,999,900 (THE "SERIES 2007 F BONDS");

(30) SEWER REVENUE BONDS, SERIES 2009 A, DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,695,000 (THE "SERIES 2009 A BONDS");

(31) SEWER REVENUE BONDS, SERIES 2009 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 31, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 2009 B BONDS");

(32) SEWER REFUNDING REVENUE BONDS, SERIES 2013 A (BANK QUALIFIED), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$9,615,000 (THE "SERIES 2013 A BONDS"); AND

(33) SEWER REFUNDING REVENUE BONDS, SERIES 2013 B (TAXABLE), DATED AUGUST 22, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,950,000 (THE "SERIES 2013 B BONDS");

AND THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL BE SUBORDINATE TO THE SERIES 2013 C BONDS BEING THE ISSUER'S:

(1) SEWER REVENUE BONDS, SERIES 1990 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED MAY 3, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$38,669 (THE "SERIES 1990 B BONDS").

The Series 1986 B Bonds, the Series 1990 A Bonds, the Series 1994 A Bonds, the Series 1994 C Bonds, the Series 1995 A Bonds, the Series 1995 B Bonds, the Series 1996 A Bonds, the Series 1996 B Bonds, the Series 1996 C Bonds, the Series 1997 A Bonds, the Series 1997 B Bonds, the Series 1999 A Bonds, the Series 2000 A Bonds, the Series 2001 A Bonds, the Series 2001 B Bonds, the Series 2002 A Bonds, the Series 2002 B Bonds, the Series 2002 C Bonds, the Series 2002 D Bonds, the Series 2002 E Bonds, the Series 2003 A Bonds, the Series 2003 B Bonds, the Series 2004 A Bonds, the Series 2007 A Bonds, the Series 2007 B Bonds, the Series 2007 C Bonds, the Series 2007 D Bonds, the Series 2007 E Bonds, the Series 2007 F Bonds, the Series 2009 A Bonds, the Series 2009 B Bonds, Series 2013 A Bonds and Series 2013 B Bonds are hereinafter collectively called the "First Lien Bonds"; and the Series 1990 B Bonds are hereinafter called the "Second Lien Bonds." The First Lien Bonds and the Second Lien Bonds are hereinafter collectively called the "Prior Bonds."

The Series 2013 C Bonds shall be issued on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the Issuer, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

In the event of any redemption of less than all outstanding Bonds, Bonds shall be selected for redemption by lot or in such other manner deemed appropriate by the Paying Agent. If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. A copy of such notice of redemption shall also be mailed to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the First Lien Bonds, and senior and prior to the pledge of Net Revenues in favor of the holders of the Second Lien Bonds, and from monies in the reserve account created under the Resolution for the Bonds (the "Series 2013 C Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any of the provisions or limitations of the constitution, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2013 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Resolution, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or subordinate to the Bonds, including the First Lien Bonds and the Second Lien Bonds.

All monies received from the sale of this Bond except for accrued interest thereon shall be applied solely to refund the Series 2006 Bonds, fund the Series 2013 C Bonds

Reserve Account, and pay costs of issuance hereof, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Resolution.

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

This Bond is deemed designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Resolution and the statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT (WEST VIRGINIA) has caused this Bond to be signed by its Chairman, and its corporate seal to be imprinted hereon and attested by its Secretary, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]


Chairman

ATTEST:


Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Resolution and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: December 19, 2013.

UNITED BANK, INC.,
as Registrar

By: _____

Its Authorized Officer

STEPTOE & JOHNSON
SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

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

_____ the within Bond and does hereby irrevocably constitute and
appoint

_____ to transfer the said Bond on the books
kept for registration thereof with full power of substitution in the premises.

Dated: _____, 20____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the
name as it appears upon the face of the within Bond in every particular, without alteration or any
change whatever.

**BERKELEY COUNTY PUBLIC SERVICE SEWER DISTRICT
SEWER REFUNDING REVENUE BONDS
\$2,880,000 SERIES 2013 C (BANK-QUALIFIED)**

BOND PURCHASE AGREEMENT

November 22, 2013

Berkeley County Public Service Sewer District
65 District Way
Martinsburg, West Virginia 25401

Ladies and Gentlemen:

Crews & Associates, Inc. (the “Underwriter”), offers to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with the Berkeley County Public Service Sewer District (the “District”) for the purchase of the District’s Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified) (the “Series 2013 C Bonds” or the “Bonds”). This offer is made subject to acceptance and execution of this Purchase Agreement by the District prior to 11:59 p.m., local prevailing time on the date hereof, or until withdrawn by the Underwriter upon written notice to the District as permitted herein, whichever shall occur earlier. Upon such acceptance and approval, as evidenced by the signature of the Chairman of the District in the space provided below, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the District and the Underwriter. All capitalized terms used in this Purchase Agreement and not otherwise defined herein shall have the meanings set forth in the hereinafter described Resolution.

The District acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm’s-length commercial transaction between the District and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent or fiduciary of the District, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the District with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the District on other matters), (iv) the Underwriter has no obligation to the District with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Agreement, and (v) the District has consulted its own legal, financial and other advisors to the extent it has deemed appropriate.

1. The Bonds are being issued, along with other available funds: (i) to provide funds to currently refund the District's Sewer Refunding Revenue Bonds, Series 2006 A (Bank-Qualified) (the "Series 2006 A Bonds"), currently outstanding in the amount of \$2,610,000; (ii) to provide funds to currently refund the District's Sewer Refunding Revenue Bonds, Series 2006 B (Non-Bank Qualified) (the "Series 2006 B Bonds," and together with the Series 2006 A Bonds, the "Series 2006 Bonds"), currently outstanding in the amount of \$240,000; (iii) to fund a debt service reserve account for the Bonds; and (iv) to pay costs of issuance of the Bonds and related costs.

The Bonds shall be as described in, and shall be issued and secured under and pursuant to the provisions of the Bond Resolution adopted by the Public Service Board (the "Board") of the District on June 18, 2013 (the "Original Resolution"), as supplemented by a Supplemental Parameters Resolution duly adopted by the Public Service Board of the District pursuant to the Resolution on June 18, 2013, and a Second Supplemental Resolution and Conformed Resolution duly adopted by the Public Service Board of the District pursuant to the Original Resolution on October 15, 2013 (collectively, the "Resolution"), and a Certificate of Determinations, signed by the Chairman of the District, dated November 22, 2013. The Bonds shall be secured by the Net Revenues derived by the District from the operation by the District of its existing sewer system (the "System") and the Series 2013 C Bonds Sinking Fund and the Series 2013 C Bonds Reserve Account therein.

Upon the terms and conditions and upon the basis of the representations and warranties set forth in this Purchase Agreement, the Underwriter agrees to purchase from the District, and the District agrees to sell to the Underwriter, the Bonds, at an aggregate purchase price of \$2,859,275.25 (\$2,880,000 minus Underwriter's discount of \$36,000 and plus a net original issue premium of \$15,275.25).

The Bonds shall mature on the dates and in the amounts, and shall bear interest from their date, until maturity or until the date fixed for redemption if the Bonds are called for prior redemption and payment on such date provided therefore, payable semiannually on April 1 and October 1 (each an "Interest Payment Date"), commencing April 1, 2014, as more fully described on Exhibit A attached hereto and incorporated herein by reference.

The Underwriter agrees to make a bona fide public offering of the Bonds at the initial offering prices as set forth in the Official Statement (as hereinafter defined) and in Exhibit A, which prices may be changed from time to time by the Underwriter.

2. Concurrently with the acceptance of this Purchase Agreement by the District, the District shall deliver or cause to be delivered to the Underwriter three copies of the Official Statement relating to the Bonds, substantially in the form of the Preliminary Official

Statement, dated November 19, 2013 (the “Preliminary Official Statement”), and prior to delivery of the Bonds, seven copies of the Official Statement (the “Official Statement”) dated the date of this Purchase Agreement, signed on behalf of the District by its Chairman as requested below.

3. The Official Statement has been approved for distribution by the Resolution. The District authorizes the use of copies of the Official Statement and the Resolution in connection with the public offering and sale of the Bonds.

On November 19, 2013, the District delivered to the Underwriter the Preliminary Official Statement and the Underwriter received a certificate from the District which deemed the Preliminary Official Statement “final” within the meaning of clause (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the “Rule” or “Rule 15c2-12”) and Rule G-32 and all other rules of the Municipal Securities Rulemaking Board. The District shall deliver or cause to be delivered to the Underwriter, after the acceptance by the District of this Purchase Agreement, and within the time required by Rule 15c2-12, an adequate number of copies of the Official Statement.

Unless otherwise notified in writing by the Underwriter on or prior to the date of Closing, the “End of the Underwriting Period” for the Bonds for all purposes of Rule 15c2-12 is the date of the Closing, as hereinafter defined. In the event such notice is given in writing by the Underwriter, the Underwriter agrees to notify the District in writing following the occurrence of the End of the Underwriting Period for the Bonds as defined in Rule 15c2-12.

The District covenants and agrees that if, after the date of this Purchase Agreement and until after the End of the Underwriting Period (as determined above), any event shall occur of which the District has actual knowledge as a result of which it is necessary to amend or supplement the Official Statement to make the Official Statement not misleading in any material respect in light of the circumstances then existing, or if it is necessary to amend or supplement the Official Statement to comply with law, to notify the Underwriter (and for the purposes hereof to provide the Underwriter with such information as they may from time to time reasonably request), and to cooperate in the preparation of a reasonable number of copies of either amendments or supplements to the Official Statement (in form and substance satisfactory to the Underwriter and its counsel) at the expense of the District so that the Official Statement as so amended and supplemented will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading in any material respect.

For the purposes of this paragraph and for only so long as required by this paragraph, the District will furnish such information with respect to itself as the Underwriter from time to time reasonably requests. The Underwriter hereby agrees that it will deposit or cause to be deposited with the Municipal Securities Rulemaking Board a copy of the Official Statement at or prior to the time contemplated by Rule 15c2-12.

The Underwriter acknowledges and agrees that any liability of the District that may arise from its representations and agreements made in this paragraph 3 shall be limited to the proceeds of the Bonds (provided that the foregoing shall not be deemed to prevent the Underwriter or the District from seeking to enforce such agreements).

4. At 10:00 a.m. prevailing time, on December 19, 2013, or such other dates as shall be agreed upon by the parties to this Purchase Agreement (the "Closing"), the District will deliver or cause to be delivered to the Underwriter, (a) the Bonds in the form of one certificate for each maturity fully registered in the name of CEDE & CO., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"), duly executed by the District and authenticated by the Registrar, and (b) at such other place as we mutually agree upon, will deliver to the Underwriter the other documents required in this Purchase Agreement and by the Resolution. Upon such delivery of the Bonds, the Underwriter will accept such delivery and pay the purchase price therefor, plus any accrued interest thereon, in immediately available funds to the order of the Depository Bank, for the account of the District. Such delivery shall be made at DTC, with the payment and other requisite actions to be taken at the place designated by the parties to this Purchase Agreement. The Bonds shall be made available to the Underwriter at DTC at least forty-eight (48) hours before the Closing for the purpose of inspection and packaging; provided, that if DTC Fast delivery is used, then the Bonds shall be made available to the Registrar by 4:00 p.m. on December 16, 2013. If the District does not have a Blanket DTC Letter of Representations (the "DTC Letter of Representations"), the District agrees to provide one to DTC.

5. The District represents and warrants to the Underwriter and agrees that:

(a) The District is a public service district, public corporation and political subdivision of the State of West Virginia in Berkeley County of said State. The District has been duly authorized to operate and maintain the System. The Bonds are being issued pursuant to the Constitution and laws of the State of West Virginia (the "State"), specifically, Chapter 16, Article 13A of the Code of West Virginia, 1931, as amended (the "Act");

(b) The District shall have complied and will comply at the Closing in all respects with all applicable statutes and laws, including the Act;

(c) The District has full legal right, power and authority to issue bonds for purposes provided in the Resolution and to enter into this Purchase Agreement, to adopt the Resolution and to issue, sell and deliver the Bonds to the Underwriter as provided herein and to carry out and consummate all other transactions contemplated by each of the aforesaid documents;

(d) The information contained in the Preliminary Official Statement dated November 19, 2013, and in the Official Statement, is and, as of the Closing Date (as hereinafter defined), will be, to the best knowledge of the District, true and to the best knowledge of the District does not contain and will not contain any untrue statement of a material fact and does not omit and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(e) At the time of the District's acceptance hereof and (unless an event occurs of the nature described in subparagraph (i)) at all times during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the respective series of Bonds (as determined in accordance with subparagraph (i) hereof), to the best knowledge of the District, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(f) If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the respective series of Bonds (as determined in accordance with subparagraph (i) hereof), the Official Statement as so supplemented or amended, to the best knowledge of the District will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(g) If during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Bonds (as determined in accordance with subparagraph (i) hereof) any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter of any such event of which it has knowledge and, if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment

to the Official Statement, the District will prepare and furnish to the Underwriter (i) a reasonable number of copies of the supplement or amendment to the Official Statement in form and substance approved by the District and acceptable to the Underwriter, and (ii) if such notification shall be subsequent to the Closing, such legal opinion, certification, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement;

(h) Prior to the District's acceptance hereof, the District delivered to the Underwriter copies of the Preliminary Official Statement which the District deemed final (for purposes of Rule 15c2-12) as of the date thereof; provided however, that in making the representation and warranty contained in this paragraph (h) the District shall not be deemed to have made any additional representation or warranty as to the Preliminary Official Statement other than the representation and warranty contained in paragraph (e);

(i) For purposes of this Purchase Agreement, the End of the Underwriting Period for the respective series of Bonds shall mean the earlier of (a) the day of the Closing unless the District has been notified in writing by the Underwriter, on or prior to the day of the Closing, that the End of the Underwriting Period for the respective series of Bonds for all purposes of Rule 15c2-12 will not occur on the day of the Closing, or (b) the date on which notice is given to the District by the Underwriter in accordance with the following sentence. In the event that the Underwriter has given notice to the District pursuant to clause (a) above that the End of the Underwriting Period for the respective series of Bonds will not occur on the day of the Closing, the Underwriter agrees to notify the District in writing as soon as practicable following the "end of the underwriting period" for the respective series of Bonds for all purposes of the Rule;

(j) At or prior to the Closing, the District shall have duly authorized, executed and delivered a written continuing disclosure undertaking (an "Undertaking") which complies with the provisions of Rule 15c2-12(b)(5) and which shall be substantially in the form described in the Preliminary Official Statement;

(k) The District has duly authorized all necessary action to be taken by it for: (1) the issuance and sale of the Bonds upon the terms set forth herein, in the Resolution and in the Official Statement; (2) the execution and delivery of the Resolution and the Undertaking; (3) the approval of the Official Statement and the execution, distribution and delivery of the Official Statement by the Chairman of the District; (4) the execution, delivery, receipt and due performance of this Purchase Agreement, the Bonds, the Undertaking, the Resolution and any and all such other agreements and documents as may be required to be executed, delivered and received by the District in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement; and (5) the carrying out, giving effect to and

consummation of the transactions contemplated hereby and by the Resolution and the Official Statement;

(l) When delivered to and paid for by the Underwriter in accordance with the terms of this Purchase Agreement, the Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute valid and binding obligations of the District payable solely from the Net Revenues of the System and moneys pledged therefor under the Resolution and will be entitled to the benefit of the Resolution. Neither the credit nor the taxing power of the District shall be deemed to be pledged to, nor shall a tax ever be levied for the payment of the principal of, premium, if any, or the interest on the Bonds;

(m) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to our knowledge, threatened against or affecting the District (or, to our knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Official Statement or the validity of the Bonds, the Resolution, the Undertaking, this Purchase Agreement or any agreement or instrument to which you are a party and which is used or contemplated hereby or by the Official Statement or the validity of the Bonds, the Resolution, this Purchase Agreement or any agreement or instrument to which you are a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement;

(n) The execution and delivery of the Official Statement, this Purchase Agreement, the Bonds, the Undertaking, the Resolution and the other agreements contemplated hereby and by the Official Statement, and compliance with the provisions thereof, to the best of their knowledge following appropriate inquiry, will not conflict with or constitute on the District's part a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the District is subject or by which the District is or may be bound, and to our knowledge all consents, approvals, authorizations and orders of governmental or regulatory authorities which are required for the consummation of the transactions contemplated thereby have been obtained;

(o) The District has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the District is a bond issuer whose arbitrage certifications may not be relied upon;

(p) All financial statements of the District included as a part of the Preliminary Official Statement and the Official Statement (the "Financial Statements"), fairly present the financial condition of the System as of the respective dates and the results of its operations for the respective periods therein set forth and have been prepared when so indicated

in accordance with generally accepted accounting principles consistently applied and since the respective most recent dates as of which information is given in the Preliminary Official Statement or the Official Statement, there has not been any material change in the long-term debt of the District or any material adverse change in the general affairs, management, financial position, or results of operations of the System and no material transactions or obligations other than in the ordinary course of business have been entered into with respect to the System by the District, except as reflected in or contemplated by the Official Statement; and

(q) Any certificate signed by any of the District's authorized officers and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter as to the statements made therein. It is understood that the representations, warranties and covenants by the District contained in this Section 5 and elsewhere in this Purchase Agreement shall not create any general obligation or liability of the District, and that any obligation or liability of the District hereunder or under the Resolution will be payable solely out of the Net Revenues and other income, charges and moneys derived by the District from, or in connection with the System, nor shall any member, official or employee of the District be personally liable therefor.

6. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and agreements of the District made herein. The Underwriter's obligations under this Purchase Agreement are and shall be subject to the following further conditions:

(a) At or prior to the time of the Closing, the Resolution and the Undertaking, as approved by the Underwriter or its counsel, shall have been approved by the appropriate parties, shall have been duly executed, acknowledged, sealed and delivered, shall be in full force and effect and shall not have been amended, modified or supplemented, except as therein permitted or as may have been agreed to in writing by the Underwriter;

(b) The Underwriter shall have the right to cancel its obligations hereunder to purchase the Bonds (such cancellation shall not constitute a default hereunder) by notifying the District in writing of its election to do so between the date hereof and the Closing Date, if at any time hereafter and prior to the Closing Date:

(i) Any legislation, rule or regulation shall be introduced in, or enacted by, the United States House of Representatives or the United States Senate or any committee thereof, or a decision by a court established under Article III of the Constitution of the United States of America, or the Tax Court of the United States, shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue

Service shall be made or proposed, which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Bonds;

(ii) Any legislation, ordinance, rule or regulation shall be introduced in or enacted by any governmental body, department or agency of the State of West Virginia or political subdivision thereof, or a decision by any court of competent jurisdiction within the State of West Virginia shall have been rendered which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Bonds;

(iii) A stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other government agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering for sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all the underlying obligations, as contemplated hereby or by the Official Statement, is in violation of any provisions of the Securities Act of 1933, as amended and as then in effect, or the registration provisions of the Securities and Exchange Act of 1934, as amended and as then in effect, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect;

(iv) Any event shall have occurred or information become known which, in the Underwriter's reasonable opinion, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or the Official Statement or the Underwriter shall have determined that the Preliminary Official Statement or the Official Statement contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(v) A general banking moratorium shall have been established by Federal, New York State or West Virginia authorities;

(vi) In the reasonable opinion of the Underwriter, the market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, has been adversely affected because (1) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, (2) the New York Stock Exchange, other national securities exchange or any governmental authority shall have imposed as to the Bonds or similar obligations any material restrictions not now in force, or increased materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter, or (3) war or any outbreak of hostilities or other national or international calamity or crisis shall have occurred or any armed conflict shall have occurred or

escalated to such a magnitude as in the reasonable opinion of the Underwriter to have a materially adverse effect on the ability of the Underwriter to market the Bonds; or

(vii) There shall have been any materially adverse change in the affairs of the District; and

(c) At or prior to the Closing, the Underwriter and the District shall receive the following documents, in each case in form and substance satisfactory to us and our counsel:

(i) An opinion, dated the date of the Closing and addressed to the District and the Underwriter, of Steptoe & Johnson PLLC, Bond Counsel, in substantially the form attached as Appendix D to the Official Statement;

(ii) A supplemental bond counsel opinion, dated the date of the Closing and addressed to the Underwriter, of Steptoe & Johnson PLLC, Bond Counsel, to the effect that (i) this Purchase Agreement has been duly authorized, executed and delivered by, and (assuming due authorization, execution and delivery by the other parties and that it is a binding agreement of the other parties in accordance with its terms) constitutes a binding agreement in accordance with its terms of, the District; (ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; (iii) the statements contained in the Official Statement under the caption "Tax Matters" are true and accurate in all material respects and present a fair and accurate summary and description of the matters summarized and described under each such caption; and (iv) nothing has come to their attention which would lead them to believe that the statements contained in the Official Statement under the captions "Security for the Series 2013 C Bonds," "The Series 2013 C Bonds" (except for the statements referred to therein under "Book-Entry Only System" with respect to The Depository Trust Company), "Financing Plan," "Appendix D – Form of Opinion of Bond Counsel" and "Summary of Certain Provisions of the Resolution" insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Resolution, do not present fairly in all material respects the matters referred to therein;

(iii) An opinion, dated the date of Closing and addressed to the Underwriter, of William F. Rohrbaugh, General Counsel to the District, to the effect that (i) the District is a public service district, public corporation and political subdivision of the State of West Virginia, (ii) the District has complied with all requirements of the Act that must be satisfied in connection with the issuance of the Bonds, (iii) no litigation is pending, or to his knowledge, threatened in any court in any way affecting the existence of the District or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the issuance or delivery of the Bonds, or the collection of Net Revenues of the System pledged or to be pledged

to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Resolution or this Purchase Agreement, or contesting the powers of the District with respect to the Bonds, the Resolution, the Undertaking or this Purchase Agreement or any transaction described in or contemplated by the Official Statement, (iv) that the Official Statement, as amended or supplemented to the date of Closing (except as aforesaid) contains no untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein regarding the District, in light of the circumstances under which they were made, not misleading, and (v) the statements contained in the Official Statement under the captions “The District and the System,” “Absence of Material Litigation,” “Financing Plan” and “Appendix B—The District and the System” insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Resolution, are accurate and present a fair summary of the matters referred to therein;

(iv) Two counterpart originals of a transcript of all proceedings relating to the authorization and issuance of the Bonds;

(v) An opinion, dated the date of the Closing and addressed to the Underwriter, of Jackson Kelly PLLC, Underwriter’s Counsel, to the effect that (i) this Purchase Agreement has been duly authorized, executed and delivered by, and (assuming due authorization, execution and delivery by the other parties and that it is a binding agreement of the other parties in accordance with its terms) constitutes a binding agreement in accordance with its terms of, the Underwriter, (ii) the Undertaking complies as to form in all material respects with the requirements of paragraph (b)(5) of the Rule, and (iii) with respect to the Official Statement that no facts have come to their attention that the Official Statement contains any untrue statements of a material fact or omits to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(vi) A certificate, satisfactory to the Underwriter, of the Chairman of the District or any other of your duly authorized officer satisfactory to the Underwriter, dated as of the Closing, to the effect that: (i) the District has duly performed all of the obligations to be performed at or prior to the Closing and that each of its representations and warranties contained herein are true as of Closing, (ii) the District has authorized, by all necessary action, the refunding of the Series 2006 Bonds, the execution, delivery, receipt and due performance of the Bonds, the Undertaking, the Resolution and any and all such other agreements and documents as may be required to be executed, delivered and received in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement, (iii) to his knowledge no litigation is pending, or to his knowledge threatened, to restrain or enjoin the refunding of the Series 2006 Bonds, the collection of the Net Revenues, the pledge of the Net Revenues to the Bonds, the issuance or sale of the Bonds or in any way affecting any authority

for or the validity of the Bonds or the Resolution, (iv) to the best of his knowledge following appropriate inquiry, the execution, delivery, receipt and due performance of the Bonds, the Undertaking, the Resolution and the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated thereby and your compliance with the provisions thereof will not conflict with or constitute on your part a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the District is subject or by which the District is or may be bound, and (v) he is aware of no material non-compliance with the covenants in all outstanding Resolutions which authorized bonds secured by the Net Revenues of the System;

(vii) Copies of this Purchase Agreement executed by the parties thereto;

(viii) An unappealable order of the Public Service Commission of West Virginia approving the financing;

(ix) Duly authorized and executed copies of the Undertaking, in substantially the form attached as Appendix E to the Official Statement and incorporated herein, which complies with the provisions of Rule 15c2-12(b)(5) in form and substance satisfactory to the Underwriter;

(x) A certificate of the District executed by an authorized officer thereof, dated the Closing Date and in form and substance satisfactory to the Underwriter and counsel to the Underwriter, to the effect that the District is obligated by such Undertaking and except as provided in the Official Statement is in full compliance with all of their prior written continuing disclosure undertakings entered into pursuant to the provisions of Rule 15c2-12(b)(5);

(xi) A certificate from Yount, Hyde & Barbour, P.C., Certified Public Accountants, that the District has Net Revenues sufficient to meet the rate coverage requirement of the Resolution and the rate coverage and parity requirements of the Prior Resolutions;

(xii) A Certificate of the Registrar to the effect that all conditions precedent contained in the Resolution for the issuance of the Bonds have been met, and the Bonds are entitled to the benefit and security of the Resolution;

(xiii) The Resolution, certified by the Secretary of the District under the seal of the District, as having been duly adopted by the District and as being in full force and effect, with only such amendments, modifications or supplements as may have been agreed to by the Underwriter;

(xiv) An Information Return for Tax-Exempt Bond Issues (Internal Revenue Service Form 8038-G), in the form satisfactory to Bond Counsel for filing, executed by the duly authorized officer of the District and evidence that the District has adopted post issuance compliance guidelines sufficient to allow the District to check boxes 43 and 44 on Form 8038-G;

(xv) Evidence that the Series 2006 Bonds have either been paid in full or defeased until the first available call date; including a defeasance opinion of Bond Counsel and a defeasance certificate from the paying agent for the Series 2006 Bonds;

(xvi) Evidence of "A-/Stable" rating from Standard & Poor's Financial Services LLC;

(xvii) Consent to use the District's audit in the Preliminary Official Statement and Official Statement from Yount, Hyde & Barbour, P.C., Certified Public Accountants;

(xviii) A tax and arbitrage certificate of the District;

(xix) Executed copies of the Prepayment Agreement for the Series 2006 Bonds;

(xx) Evidence of fully funded reserve funds for the Bonds and the Prior Bonds;

(xxi) A consent from the holders of the Prior Bonds to the issuance of the Bonds on a parity with the Prior Bonds; and

(xxii) Such additional legal opinions, certificates, instruments and other documents as the Underwriter or its counsel, Jackson Kelly PLLC, reasonably may deem necessary or advisable to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the District's representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the District on or prior to the date of the Closing of all agreements then to be performed and all conditions then to be satisfied by the District;

All of the opinions, letters, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriter and to Jackson Kelly PLLC, counsel to the Underwriter.

If the District shall be unable to satisfy or cause to be satisfied the conditions to the Underwriter's obligations in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriter and the District shall not have any further obligations, claims or rights hereunder. However, the Underwriter may in its discretion waive in writing one or more conditions imposed by this Purchase Agreement for the protection of the Underwriter and proceed with the Closing.

7. The Underwriter shall be under no obligation to pay, and, if the Bonds are issued, the District shall pay or cause to be paid from the proceeds of the Bonds or other funds of the District, any fees and expenses incident to the performance of the District's obligations hereunder including (i) all expenses in connection with the printing and distribution of the Preliminary Official Statement, the Official Statement and any amendment or supplement to either; (ii) all expenses in connection with the preparation, printing, issuance and delivery of the Bonds; (iii) the fees and disbursements of Steptoe & Johnson PLLC, Bond Counsel; (iv) all advertising expenses in connection with the public offering of the Bonds; (v) the fees and disbursements of the Registrar including legal fees of legal counsel, if any; (vi) the fees and expenses of Jackson Kelly PLLC, Counsel to the Underwriter; (vii) the fees and expenses of the accountant; (viii) all fees associated with the payment and redemption of the Series 2006 Bonds; (ix) bond insurance premium, if any; (x) rating agency fees; and (xi) all other expenses and costs (including the fees and expenses of the District) for the authorization, issuance, sale and distribution of the Bonds.

8. The Underwriter shall pay from the underwriting spread all expenses incurred by it in connection with its public offering and distribution of the Bonds, including all out-of-pocket expenses, travel and other expenses and filing fees.

9. For so long as the Underwriter, or dealers or banks, if any, participating in the distribution of the Bonds, is offering the Bonds which constitute the whole or a part of its unsold participations, the District will: (a) not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall object in writing or which shall be disapproved by Counsel for the Underwriter, unless, in the opinion of the Counsel to the District, such amendment or supplement is required to make the Official Statement not misleading, and (b) if any event relating to or affecting the District shall occur as a result of which it is necessary, in the opinion of Bond Counsel or Counsel for the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, forthwith prepare and furnish to the Underwriter a reasonable number of copies of an amendment or a supplement to the Official Statement (in form and substance satisfactory to the Counsel for the Underwriter) which will amend or supplement the Official Statement so that it

will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading. The expense of preparing such amendment or supplement shall be borne by the District. For the purposes of this paragraph, the District will furnish such information with respect to itself as the Underwriter from time to time may request.

10. Neither the officials of the District nor its employees shall be personally liable for breach of any representation, agreement or warranty made by the District within this Purchase Agreement.

11. Any notice or other communication to be given under this Purchase Agreement may be given by delivering the same in writing as follows:

To the District:

Berkeley County Public Service Sewer District
65 District Way
Martinsburg, West Virginia 25401
Attention: General Manager

To the Underwriter:

Crews & Associates, Inc.
300 Summers Street, Suite 930
Charleston, West Virginia 25301

12. This Purchase Agreement is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All agreements of the District in this Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds.

13. This Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

[The remainder of this page intentionally left blank.]

14. The approval of the Underwriter when required hereunder or the determination of its satisfaction with any document referred to herein shall be in writing signed by the Representative and delivered to the District. This Purchase Agreement shall become legally effective upon its acceptance by the District, as evidenced by the signature of the Chairman of the District in the space provided hereinafter therefor.

Crews & Associates, Inc.

By: 
Its: Senior Managing Director

ACCEPTED AND APPROVED:

Berkeley County Public Service Sewer District

By: 
Its: Chairman

ACCEPTANCE DATE AND TIME:

November 22 2013 at 12:42 p.m.

EXHIBIT A

\$2,880,000
Berkeley County Public Service Sewer District
Sewer Refunding Revenue Bonds
Series 2013 C (Bank-Qualified)

<u>Maturity</u> <u>(October 1)</u>	<u>Amount</u>	<u>Interest Rates</u>	<u>Price</u>	<u>Yield</u>
2014	\$185,000	2.000%	100.974%	0.750%
2015	\$215,000	2.000%	101.762%	1.000%
2016	\$220,000	2.000%	101.494%	1.450%
2017	\$225,000	2.000%	100.727%	1.800%
2018	\$230,000	3.000%	103.611%	2.200%
2019	\$235,000	3.000%	102.674%	2.500%
2020	\$240,000	2.750%	100.000%	2.750%
2021	\$250,000	3.000%	100.000%	3.000%
2022	\$255,000	3.125%	99.048%	3.250%
2023	\$265,000	3.250%	99.168%	3.350%
2024	\$275,000	3.400%	99.104%	3.500%
2025	\$285,000	3.500%	99.042%	3.600%

Optional Redemption

The Bonds maturing on and after October 1, 2020, are subject to redemption at the option of the District, prior to maturity, on or after October 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

WV MUNICIPAL BOND COMMISSION

State Lottery Building
 900 Pennsylvania Avenue, Suites 1117
 Charleston, WV 25302
 (304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 12/19/2013

ISSUE: <u>Berkeley County Public Service Sewer District</u> <u>Sewer Refunding Revenue Bonds, Series 2013 C (Bank-Qualified)</u>	
ADDRESS: <u>PO Box 944 Martinsburg, West Virginia 25401</u>	COUNTY: <u>Berkeley</u>
PURPOSE OF ISSUE: New Money: _____ Refunding Series 2006 A & 2006 B Bonds Refunding: <u>x</u> REFUNDS ISSUE(S) DATED: <u>10/1/2006</u>	
ISSUE DATE: <u>12/19/2013</u>	CLOSING DATE: <u>12/19/2013</u>
ISSUE AMOUNT: <u>\$2,880,000</u>	RATE: <u>2.0% - 3.50%</u>
1ST DEBT SERVICE DUE: <u>4/1/2014</u>	1ST PRINCIPAL DUE: <u>10/1/2014</u>
1ST DEBT SERVICE AMOUNT: <u>see DSS</u>	PAYING AGENT: <u>Municipal Bond Commission</u>
BOND COUNSEL: Firm: <u>Step toe & Johnson PLLC</u> Contact: <u>John Stump, Esquire</u> Phone: <u>(304) 353.8196</u>	UNDERWRITERS COUNSEL Firm: <u>Jackson Kelly PLLC</u> Contact: <u>Samme Gee, Esquire</u> Phone: <u>304.340.1318</u>
CLOSING BANK: Bank: _____ Contact: _____ Phone: _____	ESCROW TRUSTEE: Firm: _____ Contact: _____ Phone: _____
KNOWLEDGEABLE ISSUER CONTACT Contact: <u>Eric Carper</u> Position: <u>Chairman</u> Phone: <u>304.263.8556</u>	OTHER: Agency: <u>Crews & Associates, Inc.</u> <u>300 Summers St., Charleston WV</u> Contact: <u>Greg Isaacs</u> Position: <u>Senior Managing Director</u> Phone: <u>304.344.1733</u>
DEPOSITS TO MBC AT CLOSE	
By: <u>x</u> Wire	<u>x</u> MBC Fee \$ <u>2,003.79</u>
<u>_____</u> Check	<u>_____</u> Capitalized Interest: \$ _____
	<u>x</u> Reserve Account: \$ <u>288,000.00</u>
	<u>x</u> Other: Prepayment Fund \$ <u>2,503,384.15</u>
REFUNDS & TRANSFERS BY MBC AT CLOSE	
By: <u>_____</u> Wire	<u>_____</u> To Escrow Trustee \$ _____
<u>_____</u> Check	<u>_____</u> To Issuer \$ _____
<u>x</u> IGT	<u>_____</u> To Cons. Invest. Fund \$ _____
	<u>x</u> To Prepayment Fund \$ <u>375,467.89 [see Note 1]</u>
NOTES: <u>Note 1: \$55,455.90 from Series 2006 A Bonds Sinking Fund; \$2,712.64 from Series 2006 B Bonds Sinking Fund and \$317,299.35 from Series 2006 Bonds Reserve Account.</u>	
FOR MUNICIPAL BOND COMMISSION USE ONLY: DOCUMENTS REQUIRED: _____ TRANSFERS REQUIRED: _____	

Final - Revised Transfers

\$2,880,000

Berkeley County Public Service Sewer District

Sewer Revenue Refunding Bonds

Series 2013C

Total Issue Sources And Uses

Dated 12/19/2013 | Delivered 12/19/2013

	Series A	Series B	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$2,610,000.00	\$270,000.00	\$2,880,000.00
Transfers from Prior Issue DSR Funds	293,501.90	23,797.45	317,299.35
Transfers from Prior Issue Debt Service Funds	55,455.90	2,712.64	58,168.54
Reoffering Premium	17,861.85	-	17,861.85
Original Issue Discount (OID)	-	(2,586.60)	(2,586.60)
Total Sources	\$2,976,819.65	\$293,923.49	\$3,270,743.14
Uses Of Funds			
Deposit to Current Refunding Fund	2,636,228.04	242,624.00	2,878,852.04
Deposit to Debt Service Reserve Fund (DSRF)	261,000.00	27,000.00	288,000.00
Costs of Issuance	46,966.61	18,033.39	65,000.00
Total Underwriter's Discount (1.250%)	32,625.00	3,375.00	36,000.00
Rounding Amount	-	2,891.10	2,891.10
Total Uses	\$2,976,819.65	\$293,923.49	\$3,270,743.14

Final - Revised Transfers

\$2,880,000

Berkeley County Public Service Sewer District

Sewer Revenue Refunding Bonds

Series 2013C

Debt Service Comparison

Date	Total P+I	DSR	Net New D/S	Old Net D/S	Savings
10/01/2014	248,337.40	-	245,446.30	258,498.96	13,052.66
10/01/2015	292,156.26	-	292,156.26	313,877.50	21,721.24
10/01/2016	292,856.26	-	292,856.26	315,785.00	22,928.74
10/01/2017	293,456.26	-	293,456.26	312,175.00	18,718.74
10/01/2018	293,956.26	-	293,956.26	313,250.00	19,293.74
10/01/2019	292,056.26	-	292,056.26	313,790.00	21,733.74
10/01/2020	290,006.26	-	290,006.26	313,785.00	23,778.74
10/01/2021	293,406.26	-	293,406.26	313,225.00	19,818.74
10/01/2022	290,906.26	-	290,906.26	311,975.00	21,068.74
10/01/2023	292,937.50	-	292,937.50	309,885.00	16,947.50
10/01/2024	294,325.00	-	294,325.00	317,330.00	23,005.00
10/01/2025	294,975.00	(288,000.00)	6,975.00	(13,454.35)	(20,429.35)
Total	\$3,469,374.98	(288,000.00)	\$3,178,483.88	\$3,380,122.11	\$201,638.23

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	249,760.81
Effects of changes in DSR investments	(20,708.69)
Net PV Cashflow Savings @ 2.967%(Bond Yield)	229,052.12
Transfers from Prior Issue Debt Service Fund	(58,168.54)
Contingency or Rounding Amount	2,891.10
Net Present Value Benefit	\$173,774.68
Net PV Benefit / \$2,850,000 Refunded Principal	6.097%
Net PV Benefit / \$2,880,000 Refunding Principal	6.034%

Refunding Bond Information

Refunding Dated Date	12/19/2013
Refunding Delivery Date	12/19/2013

Final - Revised Transfers

\$2,880,000

Berkeley County Public Service Sewer District

Sewer Revenue Refunding Bonds

Series 2013C

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	Net New D/S	Fiscal Total
12/19/2013	-	-	-	-	-	(2,891.10)	-
04/01/2014	-	-	22,909.27	22,909.27	-	22,909.27	-
06/30/2014	-	-	-	-	-	-	20,018.17
10/01/2014	185,000.00	2.000%	40,428.13	225,428.13	-	225,428.13	-
04/01/2015	-	-	38,578.13	38,578.13	-	38,578.13	-
06/30/2015	-	-	-	-	-	-	264,006.26
10/01/2015	215,000.00	2.000%	38,578.13	253,578.13	-	253,578.13	-
04/01/2016	-	-	36,428.13	36,428.13	-	36,428.13	-
06/30/2016	-	-	-	-	-	-	290,006.26
10/01/2016	220,000.00	2.000%	36,428.13	256,428.13	-	256,428.13	-
04/01/2017	-	-	34,228.13	34,228.13	-	34,228.13	-
06/30/2017	-	-	-	-	-	-	290,656.26
10/01/2017	225,000.00	2.000%	34,228.13	259,228.13	-	259,228.13	-
04/01/2018	-	-	31,978.13	31,978.13	-	31,978.13	-
06/30/2018	-	-	-	-	-	-	291,206.26
10/01/2018	230,000.00	3.000%	31,978.13	261,978.13	-	261,978.13	-
04/01/2019	-	-	28,528.13	28,528.13	-	28,528.13	-
06/30/2019	-	-	-	-	-	-	290,506.26
10/01/2019	235,000.00	3.000%	28,528.13	263,528.13	-	263,528.13	-
04/01/2020	-	-	25,003.13	25,003.13	-	25,003.13	-
06/30/2020	-	-	-	-	-	-	288,531.26
10/01/2020	240,000.00	2.750%	25,003.13	265,003.13	-	265,003.13	-
04/01/2021	-	-	21,703.13	21,703.13	-	21,703.13	-
06/30/2021	-	-	-	-	-	-	286,706.26
10/01/2021	250,000.00	3.000%	21,703.13	271,703.13	-	271,703.13	-
04/01/2022	-	-	17,953.13	17,953.13	-	17,953.13	-
06/30/2022	-	-	-	-	-	-	289,656.26
10/01/2022	255,000.00	3.125%	17,953.13	272,953.13	-	272,953.13	-
04/01/2023	-	-	13,968.75	13,968.75	-	13,968.75	-
06/30/2023	-	-	-	-	-	-	286,921.88
10/01/2023	265,000.00	3.250%	13,968.75	278,968.75	-	278,968.75	-
04/01/2024	-	-	9,662.50	9,662.50	-	9,662.50	-
06/30/2024	-	-	-	-	-	-	288,631.25
10/01/2024	275,000.00	3.400%	9,662.50	284,662.50	-	284,662.50	-
04/01/2025	-	-	4,987.50	4,987.50	-	4,987.50	-
06/30/2025	-	-	-	-	-	-	289,650.00
10/01/2025	285,000.00	3.500%	4,987.50	289,987.50	(288,000.00)	1,987.50	-
06/30/2026	-	-	-	-	-	-	1,987.50
Total	\$2,880,000.00	-	\$589,374.98	\$3,469,374.98	(288,000.00)	\$3,178,483.88	-

Final - Revised Transfers

\$2,880,000

Berkeley County Public Service Sewer District

Sewer Revenue Refunding Bonds

Series 2013C

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
10/01/2014	Serial Coupon	2.000%	0.750%	185,000.00	100.974%	186,801.90
10/01/2015	Serial Coupon	2.000%	1.000%	215,000.00	101.762%	218,788.30
10/01/2016	Serial Coupon	2.000%	1.450%	220,000.00	101.494%	223,286.80
10/01/2017	Serial Coupon	2.000%	1.800%	225,000.00	100.727%	226,635.75
10/01/2018	Serial Coupon	3.000%	2.200%	230,000.00	103.611%	238,305.30
10/01/2019	Serial Coupon	3.000%	2.500%	235,000.00	102.674%	241,283.90
10/01/2020	Serial Coupon	2.750%	2.750%	240,000.00	100.000%	240,000.00
10/01/2021	Serial Coupon	3.000%	3.000%	250,000.00	100.000%	250,000.00
10/01/2022	Serial Coupon	3.125%	3.250%	255,000.00	99.048%	252,572.40
10/01/2023	Serial Coupon	3.250%	3.350%	265,000.00	99.168%	262,795.20
10/01/2024	Serial Coupon	3.400%	3.500%	275,000.00	99.104%	272,536.00
10/01/2025	Serial Coupon	3.500%	3.600%	285,000.00	99.042%	282,269.70
Total	-	-	-	\$2,880,000.00	-	\$2,895,275.25

Bid Information

Par Amount of Bonds	\$2,880,000.00
Reoffering Premium or (Discount)	15,275.25
Gross Production	\$2,895,275.25
Total Underwriter's Discount (1.250%)	\$(36,000.00)
Bid (99.280%)	2,859,275.25
Total Purchase Price	\$2,859,275.25
Bond Year Dollars	\$19,181.00
Average Life	6.660 Years
Average Coupon	3.0727020%
Net Interest Cost (NIC)	3.1807504%
True Interest Cost (TIC)	3.1800108%

Final - Revised Transfers

\$2,880,000

Berkeley County Public Service Sewer District

Sewer Revenue Refunding Bonds

Series 2013C

Proof Of Bond Yield @ 2.9667262%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
12/19/2013	-	1.0000000x	-	-
04/01/2014	22,909.27	0.9916907x	22,718.91	22,718.91
10/01/2014	225,428.13	0.9771954x	220,287.32	243,006.24
04/01/2015	38,578.13	0.9629119x	37,147.34	280,153.58
10/01/2015	253,578.13	0.9488372x	240,604.36	520,757.94
04/01/2016	36,428.13	0.9349682x	34,059.14	554,817.08
10/01/2016	256,428.13	0.9213020x	236,247.74	791,064.82
04/01/2017	34,228.13	0.9078355x	31,073.51	822,138.33
10/01/2017	259,228.13	0.8945658x	231,896.62	1,054,034.95
04/01/2018	31,978.13	0.8814901x	28,188.41	1,082,223.35
10/01/2018	261,978.13	0.8686055x	227,555.65	1,309,779.01
04/01/2019	28,528.13	0.8559093x	24,417.49	1,334,196.50
10/01/2019	263,528.13	0.8433986x	222,259.26	1,556,455.76
04/01/2020	25,003.13	0.8310708x	20,779.37	1,577,235.13
10/01/2020	265,003.13	0.8189232x	217,017.22	1,794,252.35
04/01/2021	21,703.13	0.8069532x	17,513.41	1,811,765.76
10/01/2021	271,703.13	0.7951581x	216,046.94	2,027,812.70
04/01/2022	17,953.13	0.7835354x	14,066.91	2,041,879.62
10/01/2022	272,953.13	0.7720826x	210,742.37	2,252,621.99
04/01/2023	13,968.75	0.7607972x	10,627.39	2,263,249.37
10/01/2023	278,968.75	0.7496768x	209,136.40	2,472,385.78
04/01/2024	9,662.50	0.7387189x	7,137.87	2,479,523.65
10/01/2024	284,662.50	0.7279212x	207,211.87	2,686,735.52
04/01/2025	4,987.50	0.7172813x	3,577.44	2,690,312.96
10/01/2025	289,987.50	0.7067970x	204,962.29	2,895,275.25
Total	\$3,469,374.98	-	\$2,895,275.25	-

Derivation Of Target Amount

Par Amount of Bonds	\$2,880,000.00
Reoffering Premium or (Discount)	15,275.25
Original Issue Proceeds	\$2,895,275.25

Final - Revised Transfers

\$2,880,000

Berkeley County Public Service Sewer District

Sewer Revenue Refunding Bonds

Series 2013C

Derivation Of Form 8038 Yield Statistics

Maturity	Issuance Value	Price	Issuance Price	Exponent	Bond Years
12/19/2013	-	-	-	-	-
10/01/2014	185,000.00	100.974%	186,801.90	0.7833333x	146,328.16
10/01/2015	215,000.00	101.762%	218,788.30	1.7833333x	390,172.47
10/01/2016	220,000.00	101.494%	223,286.80	2.7833333x	621,481.59
10/01/2017	225,000.00	100.727%	226,635.75	3.7833333x	857,438.59
10/01/2018	230,000.00	103.611%	238,305.30	4.7833333x	1,139,893.69
10/01/2019	235,000.00	102.674%	241,283.90	5.7833333x	1,395,425.22
10/01/2020	240,000.00	100.000%	240,000.00	6.7833333x	1,628,000.00
10/01/2021	250,000.00	100.000%	250,000.00	7.7833333x	1,945,833.33
10/01/2022	255,000.00	99.048%	252,572.40	8.7833333x	2,218,427.58
10/01/2023	265,000.00	99.168%	262,795.20	9.7833333x	2,571,013.04
10/01/2024	275,000.00	99.104%	272,536.00	10.7833333x	2,938,846.53
10/01/2025	285,000.00	99.042%	282,269.70	11.7833333x	3,326,077.97
Total	\$2,880,000.00	-	\$2,895,275.25	-	\$19,178,938.16

IRS Form 8038

Weighted Average Maturity = Bond Years/Issue Price	6.624 Years
Total Interest from Debt Service	589,374.98
Reoffering (Premium) or Discount	(15,275.25)
Total Interest	574,099.73
NIC = Interest / (Issue Price * Average Maturity)	2.9933864%
Bond Yield for Arbitrage Purposes	2.9667262%

Final - Revised Transfers

\$2,880,000

Berkeley County Public Service Sewer District

Sewer Revenue Refunding Bonds

Series 2013C

Current Refunding Escrow

Date	Rate	Receipts	Disbursements	Cash Balance
12/19/2013	-	2,878,852.04	-	2,878,852.04
12/23/2013	-	-	2,878,852.04	-
Total	-	\$2,878,852.04	\$2,878,852.04	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted
Cash Deposit	2,878,852.04
Total Cost of Investments	\$2,878,852.04
Target Cost of Investments at bond yield	\$2,877,910.19
Actual positive or (negative) arbitrage	(941.85)
Yield to Receipt	-
Yield for Arbitrage Purposes	2.9667262%
State and Local Government Series (SLGS) rates for	11/19/2013

Final - Revised Transfers

\$2,960,000

Berkeley County PSSD

Series 2006 A (BQ)

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
12/19/2013	-	-	-	-	-	-	-
12/23/2013	2,610,000.00	26,228.04	2,636,228.04	-	-	-	-
04/01/2014	-	-	-	-	-	57,573.75	57,573.75
10/01/2014	-	-	-	190,000.00	4.100%	57,573.75	247,573.75
04/01/2015	-	-	-	-	-	53,678.75	53,678.75
10/01/2015	-	-	-	195,000.00	4.150%	53,678.75	248,678.75
04/01/2016	-	-	-	-	-	49,632.50	49,632.50
10/01/2016	-	-	-	205,000.00	4.200%	49,632.50	254,632.50
04/01/2017	-	-	-	-	-	45,327.50	45,327.50
10/01/2017	-	-	-	210,000.00	4.250%	45,327.50	255,327.50
04/01/2018	-	-	-	-	-	40,865.00	40,865.00
10/01/2018	-	-	-	220,000.00	4.300%	40,865.00	260,865.00
04/01/2019	-	-	-	-	-	36,135.00	36,135.00
10/01/2019	-	-	-	230,000.00	4.350%	36,135.00	266,135.00
04/01/2020	-	-	-	-	-	31,132.50	31,132.50
10/01/2020	-	-	-	240,000.00	4.400%	31,132.50	271,132.50
04/01/2021	-	-	-	-	-	25,852.50	25,852.50
10/01/2021	-	-	-	250,000.00	4.500%	25,852.50	275,852.50
04/01/2022	-	-	-	-	-	20,227.50	20,227.50
10/01/2022	-	-	-	260,000.00	4.650%	20,227.50	280,227.50
04/01/2023	-	-	-	-	-	14,182.50	14,182.50
10/01/2023	-	-	-	270,000.00	4.650%	14,182.50	284,182.50
04/01/2024	-	-	-	-	-	7,905.00	7,905.00
10/01/2024	-	-	-	290,000.00	4.650%	7,905.00	297,905.00
04/01/2025	-	-	-	-	-	1,162.50	1,162.50
10/01/2025	-	-	-	50,000.00	4.650%	1,162.50	51,162.50
Total	\$2,610,000.00	\$26,228.04	\$2,636,228.04	\$2,610,000.00	-	\$767,350.00	\$3,377,350.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/19/2013
Average Life	6.306 Years
Average Coupon	4.5104735%
Weighted Average Maturity (Par Basis)	6.306 Years

Refunding Bond Information

Refunding Dated Date	12/19/2013
Refunding Delivery Date	12/19/2013

Final - Revised Transfers

\$240,000

Berkeley County PSSD

Series 2006 B (BQ)

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
12/19/2013	-	-	-	-	-	-	-
12/23/2013	240,000.00	2,624.00	242,624.00	-	-	-	-
04/01/2014	-	-	-	-	-	5,760.00	5,760.00
10/01/2014	-	-	-	-	-	5,760.00	5,760.00
04/01/2015	-	-	-	-	-	5,760.00	5,760.00
10/01/2015	-	-	-	-	-	5,760.00	5,760.00
04/01/2016	-	-	-	-	-	5,760.00	5,760.00
10/01/2016	-	-	-	-	-	5,760.00	5,760.00
04/01/2017	-	-	-	-	-	5,760.00	5,760.00
10/01/2017	-	-	-	-	-	5,760.00	5,760.00
04/01/2018	-	-	-	-	-	5,760.00	5,760.00
10/01/2018	-	-	-	-	-	5,760.00	5,760.00
04/01/2019	-	-	-	-	-	5,760.00	5,760.00
10/01/2019	-	-	-	-	-	5,760.00	5,760.00
04/01/2020	-	-	-	-	-	5,760.00	5,760.00
10/01/2020	-	-	-	-	-	5,760.00	5,760.00
04/01/2021	-	-	-	-	-	5,760.00	5,760.00
10/01/2021	-	-	-	-	-	5,760.00	5,760.00
04/01/2022	-	-	-	-	-	5,760.00	5,760.00
10/01/2022	-	-	-	-	-	5,760.00	5,760.00
04/01/2023	-	-	-	-	-	5,760.00	5,760.00
10/01/2023	-	-	-	-	-	5,760.00	5,760.00
04/01/2024	-	-	-	-	-	5,760.00	5,760.00
10/01/2024	-	-	-	-	-	5,760.00	5,760.00
04/01/2025	-	-	-	-	-	5,760.00	5,760.00
10/01/2025	-	-	-	240,000.00	4.800%	5,760.00	245,760.00
Total	\$240,000.00	\$2,624.00	\$242,624.00	\$240,000.00	-	\$138,240.00	\$378,240.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/19/2013
Average Life	11.783 Years
Average Coupon	4.8000000%
Weighted Average Maturity (Par Basis)	11.783 Years

Refunding Bond Information

Refunding Dated Date	12/19/2013
Refunding Delivery Date	12/19/2013

Final - Revised Transfers

\$2,880,000

Berkeley County Public Service Sewer District

Sewer Revenue Refunding Bonds

Series 2013C

Summary Of Bonds Refunded

Issue	Purpose	Maturity	Type	of Bond	Coupon	Maturity Value	Call Date	Call Price
Dated 10/01/2011 Delivered 10/01/2011								
Berkeley County PSSD	Series A	10/01/2014	Serial	Coupon	4.100%	190,000	12/23/2013	100.000%
Berkeley County PSSD	Series A	10/01/2015	Serial	Coupon	4.150%	195,000	12/23/2013	100.000%
Berkeley County PSSD	Series A	10/01/2016	Serial	Coupon	4.200%	205,000	12/23/2013	100.000%
Berkeley County PSSD	Series A	10/01/2017	Serial	Coupon	4.250%	210,000	12/23/2013	100.000%
Berkeley County PSSD	Series A	10/01/2018	Serial	Coupon	4.300%	220,000	12/23/2013	100.000%
Berkeley County PSSD	Series A	10/01/2019	Serial	Coupon	4.350%	230,000	12/23/2013	100.000%
Berkeley County PSSD	Series A	10/01/2020	Serial	Coupon	4.400%	240,000	12/23/2013	100.000%
Berkeley County PSSD	Series A	10/01/2021	Serial	Coupon	4.500%	250,000	12/23/2013	100.000%
Berkeley County PSSD	Series A	10/01/2022	Term 1	Coupon	4.650%	260,000	12/23/2013	100.000%
Berkeley County PSSD	Series A	10/01/2023	Term 1	Coupon	4.650%	270,000	12/23/2013	100.000%
Berkeley County PSSD	Series A	10/01/2024	Term 1	Coupon	4.650%	290,000	12/23/2013	100.000%
Berkeley County PSSD	Series A	10/01/2025	Term 1	Coupon	4.650%	50,000	12/23/2013	100.000%
Subtotal		-	-	-	-	\$2,610,000	-	-
Dated 10/01/2011 Delivered 10/01/2011								
Berkeley County PSSD	Series B	10/01/2025	Term 1	Coupon	4.800%	240,000	12/23/2013	100.000%
Subtotal		-	-	-	-	\$240,000	-	-
Total		-	-	-	-	\$2,850,000	-	-