GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

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Closing Date: February 1, 2013

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GREATER MARION PUBLIC SERVICE DISTRICT

SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM); AND SEWER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA SRF PROGRAM)

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GREATER MARION PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF GREATER MARION PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF $1,663,080 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), AND $1,997,679 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF GREATER MARION PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 16, Article 13A and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

Section 1.02. Findings. It is hereby found, determined and declared that:

A. Greater Marion Public Service District (the "Issuer") is a public service district and a public corporation and political subdivision of the State of West Virginia in Marion County of said State.

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed improvements and extensions to the existing public sewerage system of the Issuer, consisting of replacement of the existing vacuum collection system in the communities of Carolina and Idamay with a gravity collection system to convey the sewage to the City of Worthington for treatment, together with all necessary appurtenances (collectively, the "Project"), which constitute

properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (the existing public sewer facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. The Issuer intends to permanently finance the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), in connection with the West Virginia Water Pollution Control Revolving Fund pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds in the total aggregate principal amount of $3,660,759, in two series (collectively, the "Series 2013 Bonds"), being the: (1) Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), in the aggregate principal amount of $1,663,080 (the "Series 2013 A Bonds"); and (2) Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), in the aggregate principal amount of $1,997,679 (the "Series 2013 B Bonds"), to (i) permanently finance a portion of the costs of acquisition and construction of the Project; and (ii) pay costs of issuance and related costs. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2013 Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Reserve Accounts (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, including the SRF Administrative Fee (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2013 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2013 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of the Project is not less than 40 years.

F. It is in the best interests of the Issuer that its Series 2013 A Bonds and Series 2013 B Bonds be sold to the Authority pursuant to the terms and provisions of a Bond Purchase Agreement by and among the Issuer, the Authority and the West Virginia Department of Environmental Protection (the "DEP"), in form satisfactory to the Issuer, the Authority and the DEP, approved hereby if not previously approved by resolution of the Issuer.

G. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2013 Bonds as to liens, pledge and source of and security for payment, which obligations are designated and have the lien positions with respect to the Series 2013 Bonds as follows: (i) Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), dated June 23, 1999, issued in the original aggregate principal amount of $400,000 (the "Series 1999 A Bonds"); (ii) Sewer Revenue Bonds, Series

1999 B (West Virginia Infrastructure Fund), dated June 23, 1999, issued in the original aggregate principal amount of $1,700,000 (the "Series 1999 B Bonds"); and (iii) Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), dated December 11, 2000, issued in the original aggregate principal amount of $400,000 (the "Series 2000 Bonds"), (collectively, the "Prior Bonds").

The Series 2013 Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects. The Issuer has met the coverage and parity requirements for issuance of parity bonds of the Prior Bonds and the resolutions authorizing the Prior Bonds and has substantially complied with all other parity requirements. The Issuer will (i) obtain a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met; and the (ii) written consent of the Holders of the Prior Bonds to the issuance of the Series 2013 Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all the covenants of the Prior Bonds and Prior Resolutions.

H. The estimated revenues to be derived in each year following completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System and the principal of and interest, if any, on the Series 2013 Bonds and the Prior Bonds, and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Bond Purchase Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2013 Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the Council and the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2013 Bonds or such final order will not be subject to appeal or rehearing.

J. The Project has been reviewed and determined to be technically and financially feasible by the Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2013 Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2013 Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" means, collectively, Chapter 16, Article 13A, and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2013 Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the DEP under the Act.

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any temporary Chairman duly selected by the Governing Body.

"Bondholder," "Holder of the Bonds," "Holder," "Registered Owner" or any similar term whenever used herein with respect to an outstanding Bond or Bonds, means the person in whose name such Bond is registered.

"Bond Legislation," "Resolution," "Bond Resolution" or "Local Act" means this Bond Resolution and all orders and resolutions supplemental hereto or amendatory hereof.

"Bond Purchase Agreement" means the Bond Purchase Agreement heretofore entered into, or to be entered into, by and among the Issuer, the Authority and the DEP, providing for the purchase of the Series 2013 A Bonds and the Series 2013 B Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Bond Registrar" means the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

"Bonds" means, collectively, the Series 2013 Bonds, the Prior Bonds and any bonds on a parity therewith subsequently authorized to be issued hereunder or by another resolution of the Issuer.

"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, except that the first Bond Year shall begin on the Closing Date.

"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 Bonds for all or a portion of the proceeds of the Series 2013 Bonds from the Authority.

"Code" means the Internal Revenue Code of 1986, as amended, and the Regulations.

"Commission" means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia that succeeds to the functions of the Commission.

"Consulting Engineers" means Rummel, Klepper & Kahl, LLP, engineers, Keyser, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System or portion thereof in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

"Costs" or "Costs of the Project" means those costs described in Section 1.02D hereof to be a part of the cost of acquisition and construction of the Project.

"Council" means the West Virginia Infrastructure and Jobs Development Council or any other agency of the State of West Virginia that succeeds to the functions of the Council.

"DEP" means the West Virginia Department of Environmental Protection or any other agency, board or department of the State that succeeds to the functions of the DEP.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns, which shall be a member of FDIC.

"FDIC" means the Federal Deposit Insurance Corporation and any successor to the functions of the FDIC.

"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.

"Grant" means, collectively, all grant monies received by the Issuer for the Project.

"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, purchased pursuant to Article 8.01 hereof) or any Tap Fees, as hereinafter defined.

"Herein," "hereto" and similar words shall refer to this entire Bond Legislation.

"Independent Certified Public Accountants" 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 other purpose except keeping the accounts of the System in the normal operation of its business and affairs.

"Issuer" means Greater Marion Public Service District, a public service district, public corporation and political subdivision of the State of West Virginia in Marion County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Net Proceeds" means the face amount of the Series 2013 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2013 A Bonds Reserve Account.

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

"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, the SRF Administrative Fee, 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.

"Outstanding," when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered, except (i) any Bond cancelled by the Bond Registrar at or prior to said date; (ii) any Bond for the payment of which monies, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; and (iv) for purposes of consents or other action by a specified percentage of Bondholders, any Bonds registered to the Issuer.

"Parity Bonds" means additional Bonds issued under the provisions and within the limitations prescribed by Section 7.07 hereof.

"Paying Agent" means the Commission or other entity designated as such for the Series 2013 Bonds in the Supplemental Resolution.

"Prior Bonds" means, collectively, the Series 1999 A Bonds, the Series 1999 B Bonds and the Series 2000 Bonds.

"Prior Resolutions" means, collectively, the Resolutions authorizing the Prior Bonds.

"Project" means the Project as described in Section 1.02B hereof.

"Qualified Investments" means and includes any of the following:

(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 or Federal Savings and Loan Insurance Corporation, 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 excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registrar" means the Bond Registrar.

"Regulations" means temporary and permanent regulations promulgated under the Code or any predecessor to the Code.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund continued by Section 5.01 hereof.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Series 2013 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in the Reserve Accounts of the Series 2013 A Bonds and the Prior Bonds.

"Revenue Fund" means the Revenue Fund established by Section 5.01 hereof.

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 1999 A Bonds" means the Issuer's Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), dated June 23, 1999, issued in the original aggregate principal amount of $400,000.

"Series 1999 B Bonds" means the Issuer's Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund), dated June 23, 1999, issued in the original aggregate principal amount of $1,700,000.

"Series 2000 Bonds" means the Issuer's Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), dated December 11, 2000, issued in the original aggregate principal amount of $400,000.

"Series 2013 Bonds" means, collectively, the Series 2013 A Bonds and the Series 2013 B Bonds.

"Series 2013 A Bonds" means the Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), of the Issuer, authorized by this Resolution.

"Series 2013 A Bonds Reserve Account" means the Series 2013 A Bonds Reserve Account established by Section 5.02 hereof.

"Series 2013 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest, if any, which will become due on the Series 2013 A Bonds in the then current year or any succeeding year.

"Series 2013 A Bonds Sinking Fund" means the Series 2013 A Bonds Sinking Fund established by Section 5.01 hereof.

"Series 2013 B Bonds" means the Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), of the Issuer, authorized by this Resolution.

"Series 2013 Bonds Construction Trust Fund" means the Series 2013 Bonds Construction Trust Fund established by Section 5.01 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2013 A Bonds and the Prior Bonds.

"SRF Administrative Fee" means any administrative fee required to be paid under the Bond Purchase Agreement for the Series 2013 A Bonds.

"SRF Program" means the State's Water Pollution Control Revolving Fund Program, under which the Authority purchases the water pollution control revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of a capitalization grant award from the United States Environmental Protection Agency and funds of the State.

"SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution or resolutions authorizing the sale of the Series 2013 Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2013 Bonds, and not so included, may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Series 2013 Bonds, the Prior 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 properties of the Issuer for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, as presently existing in its entirety or any integral part thereof, and shall include the Project and any additions, improvements and extensions thereto hereafter constructed or acquired for said system from any sources whatsoever.

"Tap Fees" means the fees, if any, paid by prospective customers of the System in order to connect thereto.

Additional terms and phrases are defined in this Resolution as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of $5,935,759, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2013 Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, in an amount and otherwise compatible with the financing plan submitted to the Authority and the DEP.

The cost of the Project is estimated to be $5,935,759, of which approximately $1,663,080 will be obtained from proceeds of the Series 2013 A Bonds; approximately $1,997,679 will be obtained from the Series 2013 B Bonds; approximately $1,025,000 will be obtained from a Council grant; and $1,250,000 will be obtained from an Appalachian Regional Commission grant.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF BOND PURCHASE AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest, if any, on the Series 2013 A Bonds, funding the Series 2013 A Bonds Reserve Account, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2013 Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued negotiable Series 2013 Bonds of the Issuer. The Series 2013 Bonds shall be issued in two series, each as a single bond, designated respectively as "Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program)," in the principal amount of $1,663,080, and "Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program)" in the principal amount of $1,997,679, and both shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2013 Bonds remaining after funding of the Series 2013 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest, if any, on the Series 2013 A Bonds, if any, shall be deposited in or credited to the Series 2013 Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds.

A. The Series 2013 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Bond Purchase Agreement. The Series 2013 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2013 A Bonds, if any, shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2013 A Bonds shall be issued in the form of a single bond for each series, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of each series of the Series 2013 A Bonds. The Series 2013 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

B. The Series 2013 B Bonds shall be issued in such principal amount; shall not bear interest. The principal amounts advanced under the Series 2013 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2013 B Bonds shall be deemed no longer outstanding after the last advance is forgiven.

Unless otherwise provided by the Supplemental Resolution, the Series 2013 B Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances, representing the aggregate principal amount, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2013 B Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated and shall bear interest as specified in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2013 Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2013 Bonds shall cease to be such officer of the Issuer before the Series 2013 Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2013 Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. The Bond Registrar for the Series 2013 Bonds shall be the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns. No Series 2013 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the forms set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2013 Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2013 Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2013 Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be

conclusively deemed to have agreed that such Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2013 Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Bonds.

The registered Series 2013 Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2013 Bonds or transferring the registered Series 2013 Bonds are exercised, all Series 2013 Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2013 Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Series 2013 Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2013 Bonds or, in the case of any proposed redemption of Series 2013 Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2013 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2013 Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No holder or holders of the Series 2013 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2013 Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of the Series 2013 A Bonds and Series 2013 B Bonds (to the extent required) 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 the lien on Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any,

on and other payments for the Series 2013 Bonds and the Prior Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2013 Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2013 Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2013 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2013 Bonds to the original purchasers;

C. An executed and certified copy of the Bond Legislation;

D. An executed copy of the Bond Purchase Agreement; and

E. The unqualified approving opinions of bond counsel on the Series 2013 Bonds.

Section 3.10. Form of Bonds. The text of each series of the Series 2013 Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

[Remainder of Page Intentionally Blank]

(FORM OF SERIES 2013 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER MARION PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1 $_____

KNOW ALL MEN BY THESE PRESENTS: The ____ day of _____, 2013, that GREATER MARION PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Marion 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 West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20____ to and including _____ 1, 20____, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee of 0.5% (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20___, as set forth on said EXHIBIT B.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated _____, 2013.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of improvements and extensions to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds (the "Bonds") and related costs. The existing public sewerage system of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on _____, 2013, and a Supplemental Resolution duly adopted by the Issuer on _____, 2013 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation 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 Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S: (I) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $400,000 (THE "SERIES 1999 A BONDS"); (II) SEWER REVENUE BONDS, SERIES 1999 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,700,000 (THE "SERIES 1999 B BONDS"); (III) SEWER REVENUE BONDS, SERIES 2000 (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $400,000 (THE "SERIES 2000 BONDS"), (COLLECTIVELY, THE "PRIOR BONDS"); AND (IV) SEWER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA SRF PROGRAM), DATED _____, 2013, ISSUED SIMULTANEOUSLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2013 B BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) 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 Series 2013 B Bonds and the Prior Bonds and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2013 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, 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 constitutional or statutory provisions or limitations, 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 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, 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 junior to the Bonds, including the Series 2013 B Bonds and the Prior Bonds; provided however, that so long as there exists in the Series 2013 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, including the Series 2013 B Bonds and the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of The Huntington National Bank, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision 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.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, 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 at 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 the 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 the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and 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, GREATER MARION PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2013 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2013.

THE HUNTINGTON NATIONAL BANK,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $		(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20___.

_____

In the presence of:

_____

(FORM OF SERIES 2013 B BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER MARION PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2013 B
(WEST VIRGINIA SRF PROGRAM)

No. BR-1 $_____

KNOW ALL MEN BY THESE PRESENTS: The ____ day of _____, 2013, that GREATER MARION PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Marion 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 WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously forgiven, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference. The Series 2013 B Bonds are not subject to the SRF Administrative Fee (as defined in the hereinafter described Bond Legislation).

This Bond shall bear no interest. The principal amounts advanced under the Series 2013 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2013 B Bonds shall be deemed no longer outstanding after the last advance is forgiven.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated _____, 2013.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of improvements and extensions to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds (the "Bonds") and related costs. The existing public sewerage system of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on _____, 2013, and a Supplemental Resolution duly adopted by the Issuer on _____, 2013 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation 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 Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S: (I) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $400,000 (THE "SERIES 1999 A BONDS"); (II) SEWER REVENUE BONDS, SERIES 1999 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,700,000 (THE "SERIES 1999 B BONDS"); (III) SEWER REVENUE BONDS, SERIES 2000 (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $400,000 (THE "SERIES 2000 BONDS"), (COLLECTIVELY, THE "PRIOR BONDS"); AND (IV) SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED _____, 2013, ISSUED SIMULTANEOUSLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2013 A BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) 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 Series 2013 A Bonds and the Prior Bonds and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, 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 constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, 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 junior to the Bonds, including the Series 2013 A Bonds and the Prior Bonds, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, including the Series 2013 A Bonds and the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of _____, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision 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.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond

Legislation, 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 at 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 the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

All provisions of the Bond Legislation, resolutions and 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, GREATER MARION PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2013 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2013.

_____,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $		(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20___.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Bond Purchase Agreement. The Series 2013 Bonds shall be sold to the Authority, pursuant to the terms and conditions of the respective Bond Purchase Agreement. If not so authorized by previous resolution, the Chairman is specifically authorized and directed to execute the Bond Purchase Agreement in the form attached hereto as "EXHIBIT A" and made a part hereof, and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Bond Purchase Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Bond Purchase Agreement, including all schedules and exhibits attached thereto, are hereby approved and incorporated into this Bond Legislation.

Section 3.12. "Amended Schedule" Filing. Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority and the DEP a schedule, the forms of which will be provided by the DEP, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created (or continued) and shall be held by the Depository Bank separate 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) Renewal and Replacement Fund (established by the Prior Resolutions); and

(3) Series 2013 Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with and shall be held by the Commission separate and apart from all other funds or accounts of the Commission and the Issuer and from each other:

(1) Series 1999 A Bonds Sinking Fund (established by Prior Resolution);

(2) Series 1999 A Bonds Reserve Account (established by Prior Resolution);

(3) Series 1999 B Bonds Sinking Fund (established by Prior Resolution);

(4) Series 1999 B Bonds Reserve Account (established by Prior Resolution);

(5) Series 2000 Bonds Sinking Fund (established by Prior Resolution);

(6) Series 2000 Bonds Reserve Account (established by Prior Resolution);

(7) Series 2013 A Bonds Sinking Fund; and

(8) Series 2013 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds.

A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation 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. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order of priority:

(1) The Issuer shall first, each month, pay from the Revenue Fund all 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 Commission (i) the amounts required by the Prior Resolution to pay principal of the Prior Bonds; and (ii) commencing 4 months prior to the first date of payment of principal of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Funds, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2013 A Bonds on the next ensuing quarterly principal payment date.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) the amounts required by the Prior Resolutions to be deposited in the Reserve Accounts with respect to the Prior Bonds; and (ii) commencing 4 months prior to the first date of payment of principal of the Series 2013 A Bonds, if not fully funded upon issuance of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2013 A Bonds Reserve Requirement, until the amount in the Series 2013 A Bonds Reserve Account equals the Series 2013 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2013 A Bonds Reserve Requirement.

(4) The Issuer shall next, on the first day of each month, from the monies remaining in the Revenue Fund, transfer to the Renewal and Replacement Fund, a sum equal to 2 ½% 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 VIII 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.

Monies in the Series 2013 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2013 A Bonds, as the same shall become due. Monies in the Series 2013 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2013 A Bonds, as the same shall come due, when other monies in the Series 2013 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2013 Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2013 A Bonds, and then to the next ensuing principal payment due thereon, all on a pro rata basis.

Any withdrawals from the Series 2013 A Bonds Reserve Account which result in a reduction in the balance therein to below the Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

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

The Issuer shall not be required to make any further payments into the Series 2013 A Bonds Sinking Fund or the Series 2013 A Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2013 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

The Issuer covenants and agrees to transfer moneys in the Series 1999 A Bonds Reserve Account to the Series 2013 A Bonds Reserve Account upon maturity of the Series 1999 A Bonds. The Issuer covenants and agrees not to use the Series 1999 A Bonds Reserve Account for the final payment of the Series 1999 A Bonds.

The Issuer covenants and agrees to transfer moneys in the Series 1999 B Bonds Reserve Account to the Series 2013 A Bonds Reserve Account upon maturity of the Series 1999 B Bonds. The

Issuer covenants and agrees not to use the Series 1999 B Bonds Reserve Account for the final payment of the Series 1999 B Bonds.

The Issuer covenants and agrees to transfer moneys in the Series 2000 Bonds Reserve Account to the Series 2013 A Bonds Reserve Account upon maturity of the Series 2000 Bonds. The Issuer covenants and agrees not to use the Series 2000 Bonds Reserve Account for the final payment of the Series 2000 Bonds.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. The Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account, shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2013 A Bonds, under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal, interest, if any, and reserve account payments with respect to the Series 2013 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. The Issuer shall also on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the SRF Administrative Fee as set forth in the Schedule Y attached to the Bond Purchase Agreement for the Series 2013 A Bonds.

C. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Bond Purchase Agreement, and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of such calendar month.

D. 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.

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the respective parties shall require, such additional sums as shall be necessary to pay their respective charges and fees then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority at anytime, make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

F. The monies in excess of 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.

G. If on any monthly payment date the 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 5.03, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2013 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2013 A Bonds, there shall first be deposited with the Commission in the Series 2013 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2013 A Bonds for the period commencing on the date of issuance of the Series 2013 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2013 A Bonds, there shall be deposited with the Commission in the Series 2013 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 2013 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2013 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2013 Bonds Construction Trust Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2013 A Bonds.

D. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2013 B Bonds, such monies shall be deposited with the Depository Bank in the Series 2013 Bonds Construction Trust Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2013 B Bonds.

E. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2013 A Bonds and Series 2013 B Bonds shall be applied as directed by the DEP.

Section 6.02. Disbursements From the Bond Construction Trust Fund. On or before the Closing Date, the Issuer shall have delivered to the DEP and the Authority a report listing the specific purposes for which the proceeds of the Series 2013 A Bonds and Series 2013 B Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments of all Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2013 A Bonds and Series 2013 B Bonds deposited in the Series 2013 Bonds Construction Trust Fund shall be made only after submission to and approval from the DEP, of a completed and signed "Payment Requisition Form," a form of which is attached to the Bond Purchase Agreement for the Series 2013 A Bonds and Series 2013 B Bonds, in compliance with the construction schedule, and

Pending such application, monies in the Series 2013 Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation 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 Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2013 Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2013 Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2013 Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Positions with Respect to Bonds. The payment of the debt service of the Series 2013 A Bonds and the Series 2013 B Bonds 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 the lien on such Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2013 Bonds and the Prior Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and shall provide an opinion of counsel to the Issuer of such effect. Such rates and

charges shall be sufficient to comply with the requirements of the Bond Purchase Agreement and the Issuer shall supply a certificate of certified public accountant to such effect. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the Recommended Decision of the Public Service Commission of West Virginia (the "PSC") dated September 17, 2012 which became the Final Order on October 7, 2012 in Case No. 12-0571-PSD-CN and such rates are hereby adopted.

So long as the Series 2013 Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Bond Purchase Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2013 Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Bond Purchase Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Bond Purchase Agreement.

Section 7.05. Sale of the System. So long as the Series 2013 Bonds and the Prior Bonds are outstanding and except as otherwise required by law or with the written consent of the DEP and the Authority, 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 fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2013 Bonds, immediately be remitted to the Commission for deposit in the Sinking Funds, and, with the written permission of the DEP and the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2013 Bonds. Any balance remaining after the payment of the Series 2013 Bonds and interest, if any, thereon shall be remitted to the Issuer by the 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 $10,000, the Issuer shall, by resolution duly adopted, 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 $10,000 but not in excess of $50,000, 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 in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amount required to be paid into said fund by other provisions of this Bond Legislation. 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 $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders 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 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and Section 7.07 hereof, 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 Bonds and the Prior Bonds. All obligations issued by the Issuer after the issuance of the Series 2013 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 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 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 Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the DEP and the Authority prior written notice of its issuance of any other obligations to be used for the System, payable from the revenues of the System or from any grants, or any other obligations related to the Project or the System.

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Resolution 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 Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the DEP and without complying with the conditions and requirements herein provided.

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

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

No Parity Bonds shall be issued at any time, 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 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 expected 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 expected 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 the improvements to be financed by such Parity Bonds and any increase in rates adopted by the Issuer and approved by the Public Service Commission of West Virginia, the time for appeal of which shall have expired prior to the issuance of such 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 herein above 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 Accountants, on account of increased rates, rentals, fees and charges for the System adopted by the Issuer, the time for appeal of which shall have expired prior to issuance of such Parity Bonds.

All covenants and other provisions of this Bond Legislation (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. All Bonds, 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 over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Series 2013 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 Bonds.

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

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the DEP and the Authority, or their agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the DEP and the Authority such documents and information as they may reasonably require in connection with the acquisition, construction and installation of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the DEP and the Authority, or their agents and representatives, to inspect all records pertaining to the operation and maintenance of the System at all reasonable times following completion of construction of the Project and commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

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 Bond or Bonds issued pursuant to this Bond Legislation 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 and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Governing Body. The Governing Body 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 Governing Body shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer shall file with the DEP, the Authority, or any other original purchaser of the Series 2013 Bonds, and shall mail in each year to any Holder or Holders of the Series 2013 Bonds, requesting the same, an annual report containing the following:

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

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation, and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required, in compliance with the applicable OMB Circular and the Single Audit Act, or any successor thereto), and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2013 Bonds, and shall submit said report to the DEP and the Authority, or any other original purchaser of the Series 2013 Bonds. Such audit report submitted to the DEP and the Authority shall include a statement that the Issuer is in

compliance with the terms and provisions of the Act, the Bond Purchase Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

Subject to the terms, conditions and provisions of the Bond Purchase Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

The Issuer shall permit the DEP and the Authority, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction of the Project, the Issuer shall also provide the DEP and the Authority, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the DEP and the Authority with respect to the System pursuant to the Act.

Section 7.09. Rates. Prior to the issuance of the Series 2013 Bonds, equitable rates or charges for the use of and service rendered by the System shall be 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 the 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, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Series 2013 Bonds, including the Prior Bonds; provided that, in the event that amounts equal to or in excess of the reserve requirements are on deposit in the Series 2013 A Bonds Reserve Account, and the reserve accounts for obligations on a parity with or junior to the Series 2013 Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Series 2013 Bonds, including the Prior Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the DEP and the Authority within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the

System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the DEP and the Authority and to any Holder of any Bonds, within 30 days of adoption thereof, 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 DEP and the Authority and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Bond Purchase Agreement, and forward a copy of such report to the DEP and the Authority by the 10th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Bond Purchase Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Authority and the DEP, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the DEP is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

The Issuer shall provide and maintain competent and adequate engineering services satisfactory to the Authority and the DEP covering the supervision and inspection of the development and construction of the Project and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, the DEP and the Issuer at the completion of construction that construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

The Issuer shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt. The Issuer shall submit a "Performance Certificate," a form of which is attached to the Bond Purchase Agreement for the Series 2013 Bonds as Exhibit A, to the DEP within 60 days of the end of the first year after the Project is completed.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the SRF Regulations, to the DEP when the Project is 90% completed. The Issuer shall at all times provide operation and maintenance of the System in compliance with all state and federal standards.

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator to operate the System during the entire term of the Bond Purchase Agreement. The Issuer shall notify the DEP in writing of the certified operator employed at the 50% completion stage.

The Issuer shall serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer shall not reduce the amount of additional customers served by the project without the prior written approval of the Authority. Following completion of the Project the Issuer shall certify to the Authority the number of customers added to the System.

Section 7.12. 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, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, 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 user of the services and facilities shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, 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 of the System and any services and facilities of the water system, if so owned by the Issuer, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services of either system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law. 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 7.14. No Free Services. Except as required by law, 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 of the Issuer shall avail itself 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 7.15. Insurance and Construction Bonds.

A. The Issuer hereby covenants and agrees that so long as the Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) 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 or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Bond Purchase Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

(2) 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.

(3) WORKERS' COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the construction contract and to be required of each contractor contracting directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(4) 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.

(5) BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

(6) 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.

B. The Issuer shall require all contractors engaged in the construction of the Project to furnish a performance bond and a payment bond, each in an amount equal to 100% of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract. The Issuer shall verify such bonds prior to commencement of construction.

The Issuer shall also require all contractors engaged in the construction of the Project to carry such workers' compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided that the amounts and terms of such coverage are satisfactory to the Authority and the DEP and the Issuer shall verify such insurance prior to commencement of construction. In the event the Bond Purchase Agreement so require, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.16. 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 Division 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 Division 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 7.17. Completion and Operation of Project; Permits and Orders. The Issuer will complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards.

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia and the Council necessary for the acquisition and construction of the Project, the operation of the System and all approvals for issuance of the Bonds required by State law, with all requisite appeal periods having expired without successful appeal and the Issuer shall provide an opinion of counsel to such effect.

Section 7.18. Reserved.

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2013 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 Bonds and shall be on a parity with the Prior Bonds.

Section 7.20. Compliance with Bond Purchase Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Bond Purchase Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the DEP with copies of all documents submitted to the Authority.

The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the DEP, the Authority or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

The Issuer shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia in the manner prescribed by the guidelines established by the Authority and the Public Service Commission of West Virginia.

Section 7.21. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts; Change Orders, Public Releases.

A. The Issuer shall, simultaneously with the delivery of the Series 2013 Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP for written approval. The Issuer shall obtain the written approval of the DEP before expending any proceeds of the Series 2013 Bonds held in "contingency" as set forth in the schedules attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the DEP before expending any proceeds of the Series 2013 Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding provided by the DEP and the Authority in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

ARTICLE VIII

INVESTMENT OF FUNDS

Section 8.01. Investments. Any monies held as a part of the funds and accounts created by this Bond Legislation other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the

fullest extent possible under applicable laws, this Bond Legislation, the need for such monies for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

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 investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission 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 Depository Bank, or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2013 Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest, if any, on the Series 2013 Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2013 Bonds as a condition to issuance of the Series 2013 Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2013 Bonds as may be necessary in order to maintain the status of the Series 2013 Bonds as public purpose bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2013 Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority or the DEP, as the case may be, from which the proceeds of the Series 2013 Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority or the DEP, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2013 Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2013 Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2013 Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2013 Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2013 Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, Registrar or any other Paying Agent or a Holder of a Bond; or

(3) 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

(4) If default occurs with the Prior Bonds.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) 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 Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 2013 Bonds shall be on a parity with the Holders of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond 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 or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

The receiver so appointed shall forthwith, directly or by his or her or its agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate and 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 exercise.

Whenever all that is due upon the Bonds and interest thereon and under any covenants of this Bond Legislation for reserve, sinking or other funds 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 Bond Legislation 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 Registered Owner of any Bonds 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 or her or it, 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 may be 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 Registered Owners of the Bonds. 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 completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of the 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, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2013 Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2013 Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2013 Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2013 Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2013 Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2013 Bonds shall be made without the consent in writing of the Registered Owners of the Series 2013 Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein respectively pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds, required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest, if any, on the Series 2013 Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2013 Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, the Supplemental Resolution, or the Series 2013 Bonds.

Section 11.04. Headings, Etc. The headings and catchlines of the articles, sections and subsections hereof are for convenience of reference only, and shall not affect in any way the meaning or interpretation of any provision hereof.

Section 11.05. Conflicting Provisions Repealed. All orders or 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 Prior Resolutions, the Prior Resolutions shall control (unless less restrictive), so long as the Prior Bonds are Outstanding.

Section 11.06. 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 11.07. Effective Date. This Resolution shall take effect immediately upon adoption.

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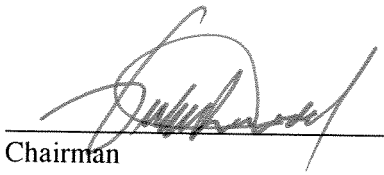
Adopted this 19th day of January, 2013.



Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of GREATER MARION PUBLIC SERVICE DISTRICT on the 19th day of January, 2013.

Dated: February 1, 2013.

[SEAL]

Secretary

439080.00002

5990647

EXHIBIT A

Bond Purchase Agreement included in bond transcript as Document 3.

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM); AND SEWER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA SRF PROGRAM), OF GREATER MARION PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the "Governing Body") of Greater Marion Public Service District (the "Issuer") has duly and officially adopted a bond resolution on January 19, 2013 (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF GREATER MARION PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF $1,663,080 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), AND $1,997,679 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Resolution provides for the issuance of Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program); and Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), of the Issuer (collectively, the "Bonds" and individually, the "Series 2013 A Bonds"; and the "Series 2013 B Bonds"), in the respective aggregate principal amounts not to exceed $1,663,080 and $1,997,679, and has authorized the execution and delivery of the Bond Purchase Agreement relating to the Series 2013 A Bonds and Series 2013 B Bonds, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP") (the "Bond Purchase Agreement"), all in accordance with Chapter 16, Article 13A and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Resolution it is provided that the form of the Bond Purchase Agreement and the exact principal amounts, dates, maturity dates, redemption provisions, interest rates, interest and principal payment dates, sale prices and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds, and that other matters relating to the Bonds be herein provided for;

WHEREAS, the Bond Purchase Agreement has been presented to the Issuer at this meeting;

WHEREAS, the Bonds are proposed to be purchased by the Authority pursuant to the Bond Purchase Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Bond Purchase Agreement be approved and ratified by the Issuer, that the exact principal amounts, the dates, the maturity dates, the redemption provisions, the interest rates, the interest and principal payment dates, the sale prices and other terms of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF GREATER MARION PUBLIC SERVICE DISTRICT:

Section 1. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the following bonds of the Issuer:

A. Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $1,663,080. The Series 2013 A Bonds shall be dated the date of delivery thereof, shall finally mature December 1, 2052. and shall bear no interest. The principal of the Series 2013 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2014, to and including December 1, 2052, and in the amounts as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Series 2013 A Bonds. The Series 2013 A Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Bond Purchase Agreement, so long as the Authority shall be the registered owner of the Series 2013 A Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 0.5% of the principal amount of the Series 2013 A Bonds set forth in the "Schedule Y" attached to the Bond Purchase Agreement.

B. Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of $1,997,679. The Series 2013 B Bonds shall be dated the date of delivery thereof and shall bear no interest. The principal amounts advanced under the Series 2013 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2013 B Bonds shall be deemed no longer outstanding after the last advance is forgiven. The Series 2013 B Bonds may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the DEP, and otherwise in compliance with, the Bond Purchase Agreement. The Series 2013 B Bonds are not subject to the SRF Administrative Fee.

Section 2. All other provisions relating to the Bonds and the text of the Bonds shall be in substantially the form provided in the Bond Resolution.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Bond Purchase Agreement, copies of which are incorporated herein by reference, and the execution and delivery of the Bond Purchase Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Bond Purchase Agreement and in the applications to the DEP and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar for the Bonds under the Bond Resolution and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate Branch Banking & Trust Company, Fairmont, West Virginia, to serve as Depository Bank under the Bond Resolution.

Section 7. Series 2013 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2013 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2013 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2013 A Bonds Reserve Account to fund the Series 2013 A Bonds Reserve Account. The maximum annual debt service on the Series 2013 A Bonds is $84,868 which shall be funded as described below:

A. Commencing June 1, 2014 to and including May 1, 2024 the Issuer shall pay to the Commission an amount of $63.87 each month for deposit in the Series 2013 A Bonds Reserve Account.

B. The Series 1999 A Bonds Reserve Requirement is $20,000. The Issuer instructs the Commission to transfer moneys in the Series 1999 A Bonds Reserve Account to the Series 2013 A Bonds Reserve Account when the Series 1999 A Bonds are paid in full. The Issuer covenants and agrees not to use the Series 1999 A Bonds Reserve Account for the final payment of the Series 1999 A Bonds.

C. The Series 1999 B Bonds Reserve Requirement is $43,872. The Issuer instructs the Commission to transfer moneys in the Series 1999 B Bonds Reserve Account to the Series 2013 A Bonds Reserve Account when the Series 1999 B Bonds are paid in full. The Issuer covenants and agrees not to use the Series 1999 B Bonds Reserve Account for the final payment of the Series 1999 B Bonds.

D. The Series 2000 Bonds Reserve Requirement is $13,332. The Issuer instructs the Commission to transfer moneys in the Series 2000 Bonds Reserve Account to the Series 2013 A Bonds Reserve Account when the Series 2000 Bonds are paid in full. The Issuer covenants and agrees not to use the Series 2000 Bonds Reserve Account for the final payment of the Series 2000 Bonds.

Section 9. The balance of the proceeds of the Series 2013 A Bonds and the Series 2013 B Bonds shall be deposited in or credited to the Series 2013 Bonds Construction Trust Fund for payment of the costs of the Project, including, without limitation, costs of issuance of the Series 2013 Bonds and related costs.

Section 10. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Bonds may be delivered on or about February 1, 2013, to the Authority pursuant to the Bond Purchase Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. This Supplemental Resolution shall be effective immediately following adoption hereof.

[Remainder of Page Intentionally Blank]

Adopted this 19th day of January, 2013.

GREATER MARION PUBLIC SERVICE DISTRICT

By: _____
Its: Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Greater Marion Public Service District on the 19th day of January, 2013.

Dated: February 1, 2013.

[SEAL]

Secretary

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WVDEP
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CWSRF

SRF-BPA-1
(09/12)

BOND PURCHASE AGREEMENT

THIS WATER POLLUTION CONTROL REVOLVING FUND BOND PURCHASE AGREEMENT (the "Bond Purchase Agreement"), made and entered into in several counterparts, by and among the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), the WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION (the "DEP"), and the local government designated below (the "Local Government").

GREATER MARION PUBLIC SERVICE DISTRICT
(C-544251-03/2012S-1320)
(Local Government)

W I T N E S S E T H:

WHEREAS, the United States Congress under Title VI of the federal Clean Water Act, as amended (the "Clean Water Act"), has provided for capitalization grants to be awarded to states for the express purpose of establishing and maintaining state water pollution control revolving funds for the planning, design, construction, acquisition and/or improvement of wastewater treatment facilities;

WHEREAS, pursuant to the provisions of Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (the "Act"), the State of West Virginia (the "State") has established a state water pollution control revolving fund program (the "Program") to acquire bonds of particular local governments pursuant to the Clean Water Act;

WHEREAS, under the Act the DEP is designated the instrumentality to enter into capitalization agreements with the United States Environmental Protection Agency ("EPA") to accept capitalization grant awards (U.S. General Services Administration; Catalog of Federal Domestic Assistance, 32nd Edition ' 66.458 (1998)) and DEP has been awarded capitalization grants to partially fund the Program;

WHEREAS, under the Act and under the direction of DEP, the Authority has established a permanent perpetual fund known as the "West Virginia Water Pollution Control Revolving Fund" (hereinafter the "Fund");

WHEREAS, pursuant to the Act, the Authority and DEP are empowered to utilize moneys from the Fund to purchase the bonds of local governments to provide the financing for the acquisition or construction of wastewater treatment projects by such local governments, all subject to such provisions and limitations as are contained in the Clean Water Act and the Act;

WHEREAS, the Local Government constitutes a local government as defined by the Act;

WHEREAS, the Local Government is included on the DEP State Project Priority List and the Intended Use Plan and has met DEP's pre-application requirements for the Program;

WHEREAS, the Local Government is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a wastewater treatment project and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Local Government;

WHEREAS, the Local Government intends to construct, is constructing or has constructed such a wastewater treatment project at the location and as more particularly described and set forth in the Application, as hereinafter defined (the "Project");

WHEREAS, the Local Government has completed and filed with the Authority and DEP an Application for Purchase of Bonds with attachments and exhibits and an Amended Application for Purchase of Bonds also with attachments and exhibits (together, as further revised and supplemented, the "Application"), which Application is incorporated herein by this reference;

WHEREAS, having reviewed the Application and the Fund having available sufficient funds therefor, the Authority and DEP are willing to lend the Local Government the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Local Government with moneys held in the Fund, subject to the Local Government's satisfaction of certain legal and other requirements of the Program; and

WHEREAS, the Local Government meets the "disadvantaged community" provisions of the SRF Regulations.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Local Government, DEP and the Authority hereby agree as follows:

ARTICLE I

Definitions

1.1 Except where the context clearly indicates otherwise, the terms "Authority," "cost," "fund," "local government," and "project" have the definitions and meanings ascribed to them in the Act or in the SRF Regulations.

1.2 "Consulting Engineers" means the professional engineer, licensed by the State, designated in the Application and any successor thereto.

1.3 "Decentralized System" means wastewater treatment systems that treat wastewater, then reusing and/or dispersing the reclaimed water, as close to where it is generated as practical in each circumstance. A Decentralized System may include: on-site systems contained entirely within the simple boundaries of the lot it serves; small-scale collective systems, with their reuse/dispersal sites on easements on the lots served, on vacant lots purchased for this purpose, on off-site properties, or a combination of these; larger scale collective systems utilizing dispersed or aggregated reuse/dispersal sites or discharging to surface water.

1.4 "Local Act" means the official action of the Local Government required by Section 4.1 hereof, authorizing the Local Bonds.

1.5 "Local Bonds" means the revenue bonds to be issued by the Local Government pursuant to the provisions of the Local Statute, as hereinafter defined, and to be purchased by the Authority with money held in the Fund, all in accordance with the provisions of this Bond Purchase Agreement.

1.6 "Local Statute" means the specific provisions of the Code of West Virginia, 1931, as amended, pursuant to which the Local Bonds are issued.

1.7 "Operating Expenses" means the reasonable, proper and necessary costs of operation and maintenance of the System, as hereinafter defined, as should normally and regularly be included as such under generally accepted accounting principles.

1.8 "Program" means the wastewater treatment facility acquisition, construction and improvement program coordinated through the capitalization grants program established under the Clean Water Act and administered by DEP.

1.9 "Project" means the wastewater treatment facility project hereinabove referred to, to be constructed or being constructed by the Local Government in whole or in part with the net proceeds of the Local Bonds or being or having been constructed by the Local Government in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Local Bonds.

1.10 "SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations, as amended.

1.11 "System" means the wastewater treatment facility owned by the Local Government, of which the Project constitutes all or to which the Project constitutes an improvement, and any improvements thereto hereafter constructed or acquired from any sources whatsoever.

1.12 Additional terms and phrases are defined in this Bond Purchase Agreement as they are used.

ARTICLE II

The Project and the System

2.1 The Project shall generally consist of the construction and acquisition of the facilities described in the Application, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Local Government by the Consulting Engineers, the DEP and Authority having found, to the extent applicable, that the Project is consistent with the applicable provisions of the Program.

2.2 Subject to the terms, conditions and provisions of this Bond Purchase Agreement and the Local Act, the Local Government has acquired, or shall do all things

necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared for the Local Government by the Consulting Engineers.

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Local Government, subject to any mortgage lien or other security interest as is provided for in the Local Statute unless a sale or transfer of all or a portion of said property is approved by DEP and the Authority.

2.4 The Local Government agrees that the Authority and DEP and their respective duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Local Government further agrees that the Authority and DEP and their respective duly authorized agents shall, prior to, during and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and DEP with respect to the System pursuant to the pertinent provisions of the Act.

2.5 The Local Government shall keep complete and accurate records of the cost of acquiring the Project site and the costs of constructing, acquiring and installing the Project, in accordance with generally accepted governmental accounting standards. The Local Government shall permit the Authority and DEP, acting by and through their Directors or duly authorized agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at any and all reasonable times for the purpose of audit and examination, and the Local Government shall submit to the Authority and DEP such documents and information as it may reasonably require in connection with the construction, acquisition and installation of the Project, the operation and maintenance of the System and the administration of the Local Bonds proceeds or of any State and federal grants or other sources of financing for the Project.

2.6 The Local Government agrees that it will permit the Authority and DEP and their respective agents to have access to the records of the Local Government pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof or if the Project is an improvement to an existing system at any reasonable time following commencement of construction.

2.7 The Local Government shall require that each construction contractor furnish a performance bond and a payment bond, each in an amount at least equal to one hundred percent (100%) of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract and shall verify or have verified such bonds prior to commencement of construction.

2.8 The Local Government shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority and DEP and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Local Government, the Local Government or (at the option of the Local Government) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Local Government, the prime contractor and all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Local Government on or before the Date of Closing, as hereinafter defined, and maintained so long as any of the Local Bonds are outstanding. Prior to commencing operation of the Project, the Local Government must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

2.9 The Local Government shall provide and maintain competent and adequate engineering services satisfactory to the Authority and DEP covering the supervision and inspection of the development and construction of the Project and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, DEP and the Local Government at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies. The Local Government shall require the Consulting Engineers to submit Record Drawings, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Local Government shall notify DEP in writing of such receipt. The Local Government shall submit a Performance Certificate, the form of which is attached hereto as Exhibit A, and being incorporated herein by reference, to DEP within 60 days of the end of the first year after the Project is completed.

2.10 The Local Government shall require the Consulting Engineers to submit the final or updated Operation and Maintenance Manual, if necessary as defined in the SRF Regulations, to DEP when the Project is 90% completed. The Local Government shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Local Government shall employ a state certified plant operator prior to the Project being 50% complete and notify the DEP of such employment. The Local Government shall retain the operator(s) to operate the System during the entire term of this Bond Purchase Agreement.

2.11 The Local Government hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by the Authority, DEP or other State, federal or local bodies in regard to the construction of the Project and operation, maintenance and use of the System.

2.12 The Local Government, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit B and incorporated herein by reference, and forward a copy by the 20th of each month to the DEP and the Authority.

2.13 The Local Government, during construction of the Project, shall complete Payment Requisition Forms, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward such forms to DEP in compliance with the Local Government's construction schedule.

ARTICLE III

Conditions to Purchase of Local Bonds; Issuance of Local Bonds

3.1 The agreement of the Authority and DEP to purchase the Local Bonds is subject to the Local Government's fulfillment, to the satisfaction of the Authority and DEP, of each and all of those certain conditions precedent on or before the delivery date for the Local Bonds, which shall be the date established pursuant to Section 3.4 hereof. Said conditions precedent are as follows:

(a) The Local Government shall have delivered to the Authority and DEP a report listing the specific purposes for which the proceeds of the Local Bonds will be expended and the procedures as to the disbursement of bond proceeds, including an estimated monthly draw schedule;

(b) The Local Government shall have performed and satisfied all of the terms and conditions to be performed and satisfied by it in this Bond Purchase Agreement;

(c) The Local Government shall have authorized the issuance of and delivery to the Authority of the Local Bonds described in this Article III and in Article IV hereof;

(d) The Local Government shall either have received bids or entered into contracts for the construction of the Project, which are in an amount and otherwise compatible with the plan of financing described in the Application; provided that, if the proceeds of the Local Bonds will refund an interim construction financing, the Local Government must either be constructing or have constructed its Project for a cost and as otherwise compatible with the plan of financing described in the Application; and, in either case, the Authority and DEP shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit D;

(e) The Local Government shall have obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, and the Authority and DEP shall have received a certificate of the Consulting Engineers to such effect;

(f) The Local Government shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the West Virginia Infrastructure and Jobs Development Council necessary for the construction of the Project and operation of the System, with all requisite appeal periods having expired without successful appeal and the Authority and DEP shall have received an opinion of counsel to the Local Government, which may be local counsel to the Local Government, bond counsel or special PSC counsel but must be satisfactory to the Authority and DEP, to such effect;

(g) The Local Government shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, and the Authority and DEP shall have received an opinion of counsel to the Local Government, which may be local counsel to the Local Government, bond counsel or special PSC counsel but must be satisfactory to the Authority and DEP, to such effect;

(h) The Local Government shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to

establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), with all requisite appeal periods having expired without successful appeal, and the Authority and DEP shall have received an opinion of counsel to the Local Government, which may be local counsel to the Local Government, bond counsel or special PSC counsel but must be satisfactory to the Authority and DEP, to such effect;

(i) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and DEP shall have received a certificate of the accountant for the Local Government, or such other person or firm experienced in the finances of local governments and satisfactory to the Authority and DEP, to such effect; and

(j) The net proceeds of the Local Bonds, together with all moneys on deposit or to be simultaneously deposited (or, with respect to proceeds of grant anticipation notes or other indebtedness for which a binding purchase contract has been entered, to be deposited on a date certain) and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority and DEP shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of wastewater treatment projects and satisfactory to the Authority and DEP, to such effect, such certificate to be in form and substance satisfactory to the Authority and DEP, and evidence satisfactory to the Authority and DEP of such irrevocably committed grants.

3.2 Subject to the terms and provisions of this Bond Purchase Agreement, the rules and regulations promulgated by the Authority and DEP, including the SRF Regulations, or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall purchase the Local Bonds of the Local Government and the Local Government shall issue and sell the Local Bonds to the Authority, and in furtherance thereof it is agreed that the Local Government shall sell to the Authority and the Authority shall purchase the Local Bonds in the principal amount and at the price set forth in Schedule X hereto. The Local Bonds shall have such further terms and provisions as described in Article IV hereof.

3.3 The Local Bonds shall be secured and shall be repaid in the manner hereinafter provided in this Bond Purchase Agreement.

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Local Government by written notice to the Authority, which written notice shall be given not less than ten (10) business days prior to the date designated; provided, however, that if the Authority is unable to accept delivery on the date designated, the Local Bonds shall be delivered to the Authority on a date as close as possible to the designated date and mutually agreeable to the Authority, DEP and the Local Government. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Closing."

3.5 The Local Government understands and acknowledges that it is one of several local governments which have applied to the Authority and DEP for financing of wastewater treatment projects and that the obligation of the Authority to purchase the Local Bonds is subject to the Local Government's fulfilling all of the terms and conditions of this Bond Purchase Agreement on or prior to the Date of Closing and to the requirements of the Program. The Local Government specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Fund to purchase all the Local Bonds and that, prior to such purchase, the Authority may purchase the bonds of other local governments set out in the State Project Priority List, as defined in the SRF Regulations. The Local Government further specifically recognizes that all bonds will be purchased in conjunction with the SRF Regulations and with the prior approval of DEP.

3.6 The Local Government shall provide DEP with the appropriate documentation to comply with the special conditions regarding the public release and audit requirements, established by federal and State regulations as set forth in Exhibit E attached hereto at such times as are set forth therein.

ARTICLE IV

Local Bonds; Security for Local Bonds; Repayment of Local Bonds; Interest on Local Bonds; Fees and Charges

4.1 The Local Government shall, as one of the conditions of the Authority and DEP to purchase the Local Bonds, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Local Government in accordance with the Local Statute, which shall, as adopted or enacted, contain provisions and covenants in substantially the form as follows:

(a) That the gross revenues of the System shall always be used for purposes of the System. Such gross revenues will be used monthly, in the order of priority listed below:

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule X, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3) of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

(iii) to create a renewal and replacement, or similar, fund in an amount equal to two and one-half percent (2-1/2%) of the gross revenues from the System, exclusive of any payments into the Reserve Account, for the purpose of improving or making emergency repairs or replacements to the System or eliminating any deficiencies in the Reserve Account; and

(iv) for other legal purposes of the System, including payment of debt service on other obligations junior, subordinate and inferior to the Local Bonds.

Provided, that if the Local Government has existing outstanding indebtedness which has greater coverage or renewal and replacement fund requirements, then the greater requirements will prevail until said existing indebtedness is paid in full.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the net or gross revenues of the System as provided in the Local Act;

(ii) That the schedule of rates or charges for the services of the System shall be sufficient to provide funds which, along with other revenues of the System, will pay all Operating Expenses and leave a balance each year equal to at least one hundred fifteen percent (115%) of the maximum amount required in any year for debt service on the Local Bonds and all other obligations secured by a lien on or payable from the revenues of the System prior to or on a parity with the Local Bonds or, if the Reserve Account is funded (whether by Local Bond proceeds, monthly deposits or otherwise) at an amount equal to the Reserve Requirement and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, equal to at least one hundred ten percent (110%) of the maximum amount required in any year for debt service on the Local Bonds and any such prior or parity obligations;

(iii) That the Local Government shall complete the Project and operate and maintain the System in good condition;

(iv) That, except as otherwise required by State law or the SRF Regulations, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole or substantially as a whole, provided that the net proceeds to be realized from such sale, mortgage, lease or other disposition shall be sufficient to fully pay all of the Local Bonds outstanding and further provided that portions of the System when no longer required for the ongoing operation of such System as evidenced by certificates from the Consulting Engineer, may be disposed of with such restrictions as are normally contained in such covenants;

(v) That the Local Government shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority and DEP; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

(vi) That the Local Government will carry such insurance as is customarily carried with respect to works and properties similar to the System, including those specified by Section 2.8 hereof;

(vii) That the Local Government will not render any free services of the System;

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Local Government under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law and all rights as set forth in Section 5 of the Act;

(ix) That, to the extent authorized by the laws of the State and the rules and regulations of the PSC, all delinquent rates and charges, if not paid when due, shall become a lien on the premises served by the System;

(x) That, to the extent legally allowable, the Local Government will not grant any franchise to provide any services which would compete with the System;

(xi) That the Local Government shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and DEP, which report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Local Government's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(xii) That the Local Government shall annually adopt a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding fiscal year and shall submit a copy of such budget to the Authority and DEP within 30 days of adoption thereof;

(xiii) That, to the extent authorized by the laws of the State and the rules and regulations of the PSC, prospective users of the System shall be required to connect thereto;

(xiv) That the proceeds of the Local Bonds, advanced from time to time, except for accrued interest and capitalized interest, if any, must (a) be deposited in a

construction fund, which, except as otherwise agreed to in writing by the Authority, shall be held separate and apart from all other funds of the Local Government and on which the owners of the Local Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing) and/or (b) be used to pay (or redeem) bond anticipation notes or other interim financing of such Local Government, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the Authority and DEP, the proceeds of the Local Bonds may be used to fund all or a portion of the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein;

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Local Government may authorize redemption of the Local Bonds with 30 days written notice to the Authority;

(xvi) That the West Virginia Municipal Bond Commission (the "Commission") shall serve as paying agent for all Local Bonds;

(xvii) That the Local Government shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required interest, principal and reserve account payment. The Local Government shall complete the Monthly Payment Form, attached hereto as Exhibit F and incorporated herein by reference, and submit a copy of said form along with a copy of the check or electronic transfer to the Authority by the 5th day of such calendar month;

(xviii) That, unless it qualifies for an exception to the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, which exception shall be set forth in an opinion of bond counsel, the Local Government will furnish to the Authority, annually, at such time as it is required to perform its rebate calculations under the Internal Revenue Code of 1986, as amended, a certificate with respect to its rebate calculations and, at any time, any additional information requested by the Authority;

(xix) That the Local Government shall have obtained the certificate of the Consulting Engineers to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority and DEP, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and DEP is sufficient to pay the costs of acquisition and construction of the Project and all permits required by federal and State laws for construction of the Project have been obtained;

(xx) That the Local Government shall, to the full extent permitted by applicable law and the rules and regulations of the PSC, terminate the services of any water facility owned by it to any customer of the System who is delinquent in payment of charges for services provided by the System and will not restore the services of the water facility until all delinquent charges for the services of the System have been fully paid or, if the water facility is not owned by the Local Government, then the Local Government shall enter into a termination agreement with the water provider; and

(xxi) That the Local Government shall submit all proposed change orders to the DEP for approval. The Local Government shall obtain the written approval of the DEP before expending any proceeds of the Local Bonds held in "contingency" as set forth in the final Schedule A attached to the certificate of the Consulting Engineer. The Local Government shall obtain the written approval of the DEP before expending any proceeds of the Local Bonds available due to bid/construction/project underruns.

The Local Government hereby represents and warrants that the Local Act has been or shall be duly adopted or enacted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law. All legal matters incident to the authorization, issuance, validity, sale and delivery of the Local Bonds shall be approved without qualification by nationally recognized bond counsel acceptable to the Authority in substantially the form of legal opinion attached hereto as Exhibit G.

4.2 The Local Bonds shall be secured by the pledge and assignment by the Local Government, as effected by the Local Act, of the fees, charges and other revenues of the Local Government from the System.

4.3 At least five percent (5%) of the proceeds of the Local Bonds will be advanced on the Date of Closing. The remaining proceeds of the Local Bonds shall be advanced by the DEP monthly as required by the Local Government to pay Costs of the Project, provided, however, if the proceeds of the Local Bonds will be used to repay an interim financing, the proceeds will be advanced on a schedule mutually agreeable to the Local Government, the DEP and the Authority. The Local Bonds shall not bear interest during the construction period but interest shall commence accruing on the completion date as defined in the SRF Regulations, provided that the annual repayment of principal and payment of interest shall begin not later than one (1) year after the completion date. The repayment of principal and interest on the Local Bonds shall be as set forth on Schedule Y hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

4.4 The Local Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Local Government. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series.

4.5 As provided by the SRF Regulations, the Local Government agrees to pay from time to time, if required by the Authority and DEP, the Local Government's allocable share of the reasonable administrative expenses of the Authority relating to the Program. Such administrative expenses shall be determined by the Authority and shall include, without limitation, Program expenses, legal fees paid by the Authority and fees paid to the trustee and paying agents for any bonds or notes to be issued by the Authority for contribution to the Fund and the fees and expenses of any corporate trustee for the Fund.

4.6 The obligation of the Authority to purchase the Local Bonds shall be conditioned upon the availability of moneys in the Fund in such amount and on such terms and conditions as, in the sole judgment of the Authority, will enable it to purchase the Local Bonds.

ARTICLE V

Certain Covenants of the Local Government; Imposition and Collection of User Charges; Payments To Be Made by Local Government to the Authority

5.1 The Local Government hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Bond Purchase Agreement and the Local Act. The Local Government hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to purchase the Local Bonds, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System and will take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and in compliance with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof.

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the required sums set forth in the Local Act and this Bond Purchase Agreement, the Local Government hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Bond Purchase Agreement.

5.3 In the event the Local Government defaults in any payment due to the Authority pursuant to this Bond Purchase Agreement, the amount of such default shall bear interest at the interest rate of the installment of the Local Bonds next due, from the date of the default until the date of the payment thereof.

5.4 The Local Government hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Local Government, the Authority may exercise any or all of the rights and powers granted under Section 5 of the Act, including, without limitation, the right to impose, enforce and collect charges of the System.

ARTICLE VI

Other Agreements of the Local Government

6.1 The Local Government hereby acknowledges to the Authority and DEP its understanding of the provisions of the Act, vesting in the Authority and DEP certain powers, rights and privileges with respect to wastewater treatment projects in the event of default by the Local Government in the terms and covenants of this Bond Purchase Agreement, and the Local Government hereby covenants and agrees that, if the Authority should hereafter have recourse to said rights and powers, the Local Government shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Bond Purchase Agreement.

6.2 The Local Government hereby warrants and represents that all information provided to the Authority and DEP in this Bond Purchase Agreement, in the

Application or in any other application or documentation with respect to financing the Project was at the time, and now is, true, correct and complete, and such information does not omit any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Prior to the Authority's purchasing and receiving the Local Bonds, the Authority and DEP shall have the right to cancel all or any of their obligations under this Bond Purchase Agreement if (a) any representation made to the Authority and DEP by the Local Government in connection with the issuance of the Local Bonds shall be incorrect or incomplete in any material respect or (b) the Local Government has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the Act, the SRF Regulations or this Bond Purchase Agreement.

6.3 The Local Government hereby agrees to repay on or prior to the Date of Closing any moneys due and owing by it to the Authority or any other lender for the planning or design of the Project.

6.4 The Local Government hereby covenants that it will rebate any amounts required by Section 148 of the Internal Revenue Code of 1986, as amended, and will take all steps necessary to make any such rebates. In the event the Local Government fails to make any such rebates as required, then the Local Government shall pay any and all penalties, obtain a waiver from the Internal Revenue Service and take any other actions necessary or desirable to preserve the exclusion from gross income for federal income tax purposes of interest on the Local Bonds.

6.5 Notwithstanding Section 6.4, the Authority and DEP may at any time, in their sole discretion, cause the rebate calculations prepared by or on behalf of the Local Government to be monitored or cause the rebate calculations for the Local Government to be prepared, in either case at the expense of the Local Government.

6.6 The Local Government hereby agrees to give the Authority and DEP prior written notice of the issuance by it of any other obligations to be used for the System, payable from the revenues of the System or from any grants for the Project or otherwise related to the Project or the System.

6.7 The Local Government hereby agrees to file with the Authority and DEP upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule A to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

7.1 Schedules X and Y shall be attached to this Bond Purchase Agreement by the Authority as soon as practicable after the Date of Closing is established and shall be approved by an official action of the Local Government supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority.

7.2 If any provision of this Bond Purchase Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Bond Purchase Agreement, and this Bond Purchase Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

7.3 This Bond Purchase Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Bond Purchase Agreement.

7.4 No waiver by any party of any term or condition of this Bond Purchase Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Bond Purchase Agreement.

7.5 This Bond Purchase Agreement supersedes all prior negotiations, representations and agreements between the parties hereto relating to the Local Bonds and constitutes the entire agreement between the parties hereto in respect thereof.

7.6 By execution and delivery of this Bond Purchase Agreement, notwithstanding the date hereof, the Local Government specifically recognizes that it is hereby agreeing to sell its Local Bonds to the Authority and that such obligation may be specifically enforced or subject to a similar equitable remedy by the Authority.

7.7 This Bond Purchase Agreement shall terminate upon the earlier of:

(i) written notice of termination to the Local Government from either the Authority or DEP; or

(ii) payment in full of the principal of and interest on the Local Bonds and of any fees and charges owed by the Local Government to the Authority or DEP; provided that the amount of the Local Bonds purchased under this Bond Purchase Agreement in any succeeding fiscal year is contingent upon funds being appropriated by the State legislature or otherwise being available to purchase the Local Bonds. In the event funds are not appropriated or otherwise available to purchase all of the Local Bonds, the responsibility of the Authority and DEP to purchase the Local Bonds is terminated; provided further that the obligation of the Local Government to repay the outstanding amount of the Local Bonds is not terminated due to such non-funding on any balance of the Local Bonds. The DEP agrees to use its best efforts to have the amount contemplated under this Bond Purchase Agreement included in its budget. Non-appropriation or non-funding of the Loan shall not be considered an event of default under this Bond Purchase Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Bond Purchase Agreement to be executed by their respective duly authorized officers as of the date executed below by the Authority.

GREATER MARION PUBLIC SERVICE DISTRICT

(SEAL)

By: _____
Its: Chairman
Date: February 1, 2013

Attest:

_____
Its: Secretary

WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, DIVISION OF WATER AND WASTE MANAGEMENT

By: _____
Its: Director
Date: February 1, 2013

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Executive Director
Date: February 1, 2013

Attest:

_____
Its: Authorized Officer

EXHIBIT A

FORM OF PERFORMANCE CERTIFICATE

[To Be Provided By DEP]

EXHIBIT B

MONTHLY FINANCIAL REPORT

Name of Local Government _____
Name of Bond Issue(s) _____
Type of Project _____ **Water** _____ **Wastewater**
Fiscal Year _____ **Report Month** _____

Item	Current Month	Total Year To Date	Budget Year To Date	Budget Year To Date Minus Total Year To Date
1. Gross Revenues				
2. Operating Expenses				
3. Bond Payments:				
Type of Issue				
Clean Water SRF				
Drinking Water TRF				
Infrastructure Fund				
Water Development Authority				
Rural Utilities Service				
Economic Development Administration				
Other (Identify)				
_____				
_____				
4. Renewal and Replacement Fund Deposits				

_____
Name of Person Completing Form

_____
Address

_____
Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

Item 1 You will need a copy of the current fiscal year budget adopted by the Local Government to complete Items 1 and 2. In Item 1, provide the amount of actual **Gross Revenues** for the current month and the total amount year-to-date in the respective columns. Divide the budgeted annual Gross Revenues by 12. For example, if Gross Revenues of $1,200 are anticipated to be received for the year, each month the base would be increased by $100 ($1,200/12). This is the incremental amount for the Budget Year-to-Date column.

Item 2 Provide the amount of actual **Operating Expenses** for the current month and the total amount year-to-date in the respective columns. Any administrative fee should be included in the Operating Expenses. Divide the budgeted annual Operating Expenses by 12. For example, if Operating Expenses of $900 are anticipated to be incurred for the year, each month the base would be increased by $75 ($900/12). This is the incremental amount for the Budget Year-to-Date column.

Item 3 Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Local Government according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.

Item 4 Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are $1,200, then $30 (2.5% of $1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Local Government.

The Local Government must complete the Monthly Financial Report and forward it to the Water Development Authority by the 20th day of each month, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project.

EXHIBIT C

PAYMENT REQUISITION FORM

(All Copies to Be Provided by DEP for Each Project)

EXHIBIT D

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____

(Issuer)

_____

(Name of Bonds)

I, _____, Registered Professional Engineer, West Virginia License No._____, of _____, Consulting Engineers, _____, _____, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of _____ to the _____ system (the "Project") of _____ (the "Issuer"), to be constructed primarily in _____County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meaning set forth in the bond _____ adopted or enacted by the Issuer on _____, and the Bond Purchase Agreement by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Department of Environmental Protection (the "DEP"), dated _____.

2. The Bonds are being issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and any change orders approved by the Issuer, the DEP and all necessary governmental bodies; (ii) the schematic design for the Project began [before July 1, 2012], (iii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least _____ years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iv) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule

attached hereto as Exhibit A, and my firm[1] has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (v) the successful bidders received any and all addenda to the original bid documents; (vi) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms provided to the bidders contain all critical operational components of the Project; (vii) the successful bids include prices for every item on such bid forms; (viii) the uniform bid procedures were followed; (ix) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (x) as of the effective date thereof[2], the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Bond Purchase Agreement; (xi) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; (xii) the Project design was performed in compliance with the provisions of West Virginia Code Chapter 22, Article 29; and (xiii) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

4. The Project will serve _____ new customers in the _____ area.

WITNESS my signature and seal on this _____ day of _____, _____.

_____

By _____
West Virginia License No. __

[SEAL]

---

[1]If another responsible party, such as the Issuer's attorney, reviews the insurance and payment bonds, then insert the following: [and in reliance upon the opinion of _____, Esq.] and delete "my firm has ascertained that".

[2]If the Rule 42 Exhibit and/or rate structure was prepared by an accountant, then insert the following: "In reliance upon the certificate of _____ of even date herewith," at the beginning of (ix).

EXHIBIT E

SPECIAL CONDITIONS

A. PUBLIC RELEASE REQUIREMENT – The Local Government agrees to include, when issuing statements, press releases, requests for proposals, bid solicitations, ground breaking or project dedication program documents and other documents describing projects or programs funded in whole or in part with Federal money, (1) the percentage of the total costs of the program or project which will be financed with Federal money, (2) the dollar amount of Federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

B. ASSET MANAGEMENT – The Local Government shall submit an acceptable asset management plan or where applicable, updated plans, to DEP no later than six months following substantial completion of the Project. This requirement shall be included in the bond closing documents.

C. WAGE RATES – The Local Government shall require that all laborers and mechanics employed by its contractors and subcontractors be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 32 of title 40, United States Code. The Local Government must require that contractors and subcontractors obtain wage determinations from DOL and comply with DOL guidance and regulations implementing wage rate requirements.

D. CLOSING REQUIREMENTS – None.

EXHIBIT F

MONTHLY PAYMENT FORM

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Re: [Name of bond issue]

Ladies and Gentlemen:

The following deposits were made to the West Virginia Municipal Bond Commission on behalf of [Name of Local Government] on [Date].

Sinking Fund:

Interest	$____
Principal	$____
Total:	$____
Reserve Account:	$____

Witness my signature this ___ day of_____.

[Name of Local Government]

By: _____
Authorized Officer

Enclosure: copy of check(s)

EXHIBIT G

OPINION OF BOND COUNSEL FOR LOCAL GOVERNMENT

[To Be Dated as of Date of Closing]

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

West Virginia Department of Environmental Protection
601 57th Street
Charleston, WV 25304

Ladies and Gentlemen:

We are bond counsel to _____ (the "Local Government"), a _____.

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a bond purchase agreement dated ____, ___, including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), among the Local Government, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), and (ii) the issue of a series of revenue bonds of the Local Government, dated _____, ___ (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Local Bonds are issued in the principal amount of $_____, in the form of one bond, registered as to principal only to the Authority, with principal payable quarterly on March 1, June 1, September 1, and December 1 of each year, beginning _____ 1, ____, and ending __ 1, ____, all as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly adopted or enacted by the Local Government on _____, as supplemented by the

supplemental resolution duly adopted by the Local Government on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Bond Purchase Agreement has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Bond Purchase Agreement.

Based upon the foregoing and upon our examination of such other documents as we have deemed necessary, we are of the opinion as follows:

1. The Bond Purchase Agreement has been duly authorized by and executed on behalf of the Local Government and is a valid and binding special obligation of the Local Government, enforceable in accordance with the terms thereof.

2. The Bond Purchase Agreement inures to the benefit of the Authority and the DEP and cannot be amended so as to affect adversely the rights of the Authority or the DEP or diminish the obligations of the Local Government without the consent of the Authority and the DEP.

3. The Local Government is a duly organized and validly existing _____, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Local Act and all other necessary orders and resolutions have been legally and effectively adopted or enacted by the Local Government and constitute valid and binding obligations of the Local Government, enforceable against the Local Government in accordance with their terms. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Bond Purchase Agreement.

5. The Local Bonds have been duly authorized, issued, executed and delivered by the Local Government to the Authority and are valid, legally enforceable and binding special obligations of the Local Government, payable from the net or gross revenues of the System set forth in the Local Act and secured by a first lien on and pledge of the net or gross revenues of the System, all in accordance with the terms of the Local Bonds and the Local Act.

6. The Local Bonds are, by statute, exempt _____, and under existing statutes and court decisions of the United States of America, as presently written and

applied, the interest on the Local Bonds is excludable from the gross income of the recipients thereof for federal income tax purposes.

No opinion is given herein as to the effect upon enforceability of the Local Bonds of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights or in the exercise of judicial discretion in appropriate cases.

We have examined the executed and authenticated Local Bond numbered R-1, and in our opinion the form of said bond and its execution and authentication are regular and proper.

Very truly yours,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

A. Series A Bonds (CWSRF Base Program)

Principal Amount of Local Bonds	$1,663,080
Purchase Price of Local Bonds	$1,663,080

The Local Bonds shall bear no interest. Commencing September 1, 2014, principal of the Local Bonds is payable quarterly, with an administrative fee of 0.5%. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Local Government shall submit its payments monthly to the Commission with instructions that the Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority. If the Reserve Account is not fully funded at closing, the Local Government shall commence the payment of the 1/120 of the maximum annual debt service on the first day of the month it makes its first monthly payment to the Commission. The Local Government shall instruct the Commission to notify the Authority of any monthly payments which are not received by the 20th day of the month in which the payment was due.

The Local Bonds are fully registered in the name of the Authority as to principal only and the Local Bonds shall grant the Authority a first lien on the net or gross revenues of the Local Government's system as provided in the Local Act.

The Local Government may prepay the Local Bonds in full at any time at the price of par upon 30 days' written notice to the Authority and DEP. The Local Government shall request approval from the Authority and DEP in writing of any proposed debt which will be issued by the Local Government on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

Number of Proposed New Customers to Be Served: 0
Location: N/A

As of the date of the Bond Purchase Agreement, the Local Bonds are on a parity as to liens, pledge and source of and security for payment with the following obligations of the Local Government:

(i) Greater Marion Public Service District Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), dated June 23, 1999, issued in the original aggregate principal amount of $400,000;

(ii) Greater Marion Public Service District Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund), dated June 23, 1999, issued in the original aggregate principal amount of $1,700,000; and

(iii) Greater Marion Public Service District Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), dated December 11, 2000, issued in the original aggregate principal amount of $400,000.

B. Series B Bonds (CWSRF Forgiveness)

Principal Amount of Local Bonds	$1,997,679
Purchase Price of Local Bonds	$1,997,679

The Local Bonds shall bear no interest. The Authority at the direction of the DEP shall forgive the principal amount of the Local Bonds. The principal amounts advanced under the Series B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series B Bonds shall be deemed no longer outstanding after the last advance is forgiven.

The Local Bonds are fully registered in the name of the Authority.

The Local Government shall make monthly payments into the Renewal and Replacement Fund as required by Section 4.1 of this Agreement for at least the term of the Local Bonds.

The Local Government shall notify the Authority and the Council of any proposed bond indebtedness secured by the revenues of the System.

SCHEDULE Y
DEBT SERVICE SCHEDULE

Bond Debt Service

Greater Marion PSD

CW SRF

0% Interest Rate, 0.5% Administrative fee

40 Years from Closing Date

Dated Date		2/1/2013		
Delivery Date		2/1/2013		

Period Ending	Principal	Interest	Debt Service	Administrative Fee	Debt Service Inc. Adm fee
6/1/2014					
9/1/2014	1,316		1,316	1,395.81	2,711.81
12/1/2014	1,316		1,316	1,395.81	2,711.81
3/1/2015	1,316		1,316	1,395.81	2,711.81
6/1/2015	1,316		1,316	1,395.81	2,711.81
9/1/2015	1,316		1,316	1,395.81	2,711.81
12/1/2015	1,316		1,316	1,395.81	2,711.81
3/1/2016	1,316		1,316	1,395.81	2,711.81
6/1/2016	1,316		1,316	1,395.81	2,711.81
9/1/2016	1,316		1,316	1,395.81	2,711.81
12/1/2016	1,316		1,316	1,395.81	2,711.81
3/1/2017	1,316		1,316	1,395.81	2,711.81
6/1/2017	1,316		1,316	1,395.81	2,711.81
9/1/2017	1,316		1,316	1,395.81	2,711.81
12/1/2017	1,316		1,316	1,395.81	2,711.81
3/1/2018	1,316		1,316	1,395.81	2,711.81
6/1/2018	1,316		1,316	1,395.81	2,711.81
9/1/2018	1,316		1,316	1,395.81	2,711.81
12/1/2018	1,316		1,316	1,395.81	2,711.81
3/1/2019	1,316		1,316	1,395.81	2,711.81
6/1/2019	1,316		1,316	1,395.81	2,711.81
9/1/2019	1,316		1,316	1,395.81	2,711.81
12/1/2019	1,316		1,316	1,395.81	2,711.81
3/1/2020	1,316		1,316	1,395.81	2,711.81
6/1/2020	1,316		1,316	1,395.81	2,711.81
9/1/2020	1,316		1,316	1,395.81	2,711.81
12/1/2020	1,316		1,316	1,395.81	2,711.81
3/1/2021	2,566		2,566	1,395.81	3,961.81
6/1/2021	2,566		2,566	1,395.81	3,961.81
9/1/2021	2,566		2,566	1,395.81	3,961.81
12/1/2021	2,566		2,566	1,395.81	3,961.81
3/1/2022	6,316		6,316	1,395.81	7,711.81
6/1/2022	6,316		6,316	1,395.81	7,711.81
9/1/2022	6,316		6,316	1,395.81	7,711.81
12/1/2022	6,316		6,316	1,395.81	7,711.81
3/1/2023	6,555		6,555	1,395.81	7,950.81
6/1/2023	6,555		6,555	1,395.81	7,950.81
9/1/2023	6,555		6,555	1,395.81	7,950.81
12/1/2023	6,555		6,555	1,395.81	7,950.81

Bond Debt Service

Greater Marion PSD

CW SRF

0% Interest Rate, 0.5% Administrative fee

40 Years from Closing Date

Period Ending	Principal	Interest	Debt Service	Administrative	Debt Service inc Adm fee
3/1/2024	6,916		6,916	1,395.81	8,311.81
6/1/2024	6,916		6,916	1,395.81	8,311.81
9/1/2024	6,916		6,916	1,395.81	8,311.81
12/1/2024	6,916		6,916	1,395.81	8,311.81
3/1/2025	6,916		6,916	1,395.81	8,311.81
6/1/2025	6,916		6,916	1,395.81	8,311.81
9/1/2025	6,916		6,916	1,395.81	8,311.81
12/1/2025	6,916		6,916	1,395.81	8,311.81
3/1/2026	6,916		6,916	1,395.81	8,311.81
6/1/2026	6,916		6,916	1,395.81	8,311.81
9/1/2026	6,916		6,916	1,395.81	8,311.81
12/1/2026	6,916		6,916	1,395.81	8,311.81
3/1/2027	6,916		6,916	1,395.81	8,311.81
6/1/2027	6,916		6,916	1,395.81	8,311.81
9/1/2027	6,916		6,916	1,395.81	8,311.81
12/1/2027	6,916		6,916	1,395.81	8,311.81
3/1/2028	6,916		6,916	1,395.81	8,311.81
6/1/2028	6,916		6,916	1,395.81	8,311.81
9/1/2028	6,916		6,916	1,395.81	8,311.81
12/1/2028	6,916		6,916	1,395.81	8,311.81
3/1/2029	6,916		6,916	1,395.81	8,311.81
6/1/2029	6,916		6,916	1,395.81	8,311.81
9/1/2029	6,916		6,916	1,395.81	8,311.81
12/1/2029	6,916		6,916	1,395.81	8,311.81
3/1/2030	6,916		6,916	1,395.81	8,311.81
6/1/2030	6,916		6,916	1,395.81	8,311.81
9/1/2030	6,916		6,916	1,395.81	8,311.81
12/1/2030	6,916		6,916	1,395.81	8,311.81
3/1/2031	6,916		6,916	1,395.81	8,311.81
6/1/2031	6,916		6,916	1,395.81	8,311.81
9/1/2031	6,916		6,916	1,395.81	8,311.81
12/1/2031	6,916		6,916	1,395.81	8,311.81
3/1/2032	9,436		9,436	1,395.81	10,831.81
6/1/2032	9,436		9,436	1,395.81	10,831.81
9/1/2032	9,436		9,436	1,395.81	10,831.81
12/1/2032	9,436		9,436	1,395.81	10,831.81
3/1/2033	10,250		10,250	1,395.81	11,645.81
6/1/2033	10,250		10,250	1,395.81	11,645.81
9/1/2033	10,250		10,250	1,395.81	11,645.81
12/1/2033	10,250		10,250	1,395.81	11,645.81

Bond Debt Service

Greater Marion PSD

CW SRF

0% Interest Rate, 0.5% Administrative fee

40 Years from Closing Date

Period Ending	Principal	Interest	Debt Service	Administrative Fee	Debt Service inc Adm fee
3/1/2034	10,250		10,250	1,395.81	11,645.81
6/1/2034	10,250		10,250	1,395.81	11,645.81
9/1/2034	10,250		10,250	1,395.81	11,645.81
12/1/2034	10,250		10,250	1,395.81	11,645.81
3/1/2035	10,250		10,250	1,395.81	11,645.81
6/1/2035	10,250		10,250	1,395.81	11,645.81
9/1/2035	10,250		10,250	1,395.81	11,645.81
12/1/2035	10,250		10,250	1,395.81	11,645.81
3/1/2036	10,250		10,250	1,395.81	11,645.81
6/1/2036	10,250		10,250	1,395.81	11,645.81
9/1/2036	10,250		10,250	1,395.81	11,645.81
12/1/2036	10,250		10,250	1,395.81	11,645.81
3/1/2037	10,250		10,250	1,395.81	11,645.81
6/1/2037	10,250		10,250	1,395.81	11,645.81
9/1/2037	10,250		10,250	1,395.81	11,645.81
12/1/2037	10,250		10,250	1,395.81	11,645.81
3/1/2038	10,250		10,250	1,395.81	11,645.81
6/1/2038	10,250		10,250	1,395.81	11,645.81
9/1/2038	10,250		10,250	1,395.81	11,645.81
12/1/2038	10,250		10,250	1,395.81	11,645.81
3/1/2039	10,250		10,250	1,395.81	11,645.81
6/1/2039	10,250		10,250	1,395.81	11,645.81
9/1/2039	10,250		10,250	1,395.81	11,645.81
12/1/2039	10,250		10,250	1,395.81	11,645.81
3/1/2040	21,217		21,217	1,395.81	22,612.81
6/1/2040	21,217		21,217	1,395.81	22,612.81
9/1/2040	21,217		21,217	1,395.81	22,612.81
12/1/2040	21,217		21,217	1,395.81	22,612.81
3/1/2041	21,217		21,217	1,395.81	22,612.81
6/1/2041	21,217		21,217	1,395.81	22,612.81
9/1/2041	21,217		21,217	1,395.81	22,612.81
12/1/2041	21,217		21,217	1,395.81	22,612.81
3/1/2042	21,217		21,217	1,395.81	22,612.81
6/1/2042	21,217		21,217	1,395.81	22,612.81
9/1/2042	21,217		21,217	1,395.81	22,612.81
12/1/2042	21,217		21,217	1,395.81	22,612.81
3/1/2043	21,217		21,217	1,395.81	22,612.81
6/1/2043	21,217		21,217	1,395.81	22,612.81
9/1/2043	21,217		21,217	1,395.81	22,612.81
12/1/2043	21,217		21,217	1,395.81	22,612.81

Bond Debt Service

Greater Marion PSD

SRF

0% Interest Rate

0.5% Adinistrative Fee

40 Years from Closing Date

Period Ending	Principal	Interest	Debt Service	Administrative Fee	Debt Service inc Adm fee
3/1/2044	21,217		21,217	1,395.81	22,612.81
6/1/2044	21,217		21,217	1,395.81	22,612.81
9/1/2044	21,217		21,217	1,395.81	22,612.81
12/1/2044	21,217		21,217	1,395.81	22,612.81
3/1/2045	21,217		21,217	1,395.81	22,612.81
6/1/2045	21,217		21,217	1,395.81	22,612.81
9/1/2045	21,217		21,217	1,395.81	22,612.81
12/1/2045	21,217		21,217	1,395.81	22,612.81
3/1/2046	21,217		21,217	1,395.81	22,612.81
6/1/2046	21,217		21,217	1,395.81	22,612.81
9/1/2046	21,217		21,217	1,395.81	22,612.81
12/1/2046	21,217		21,217	1,395.81	22,612.81
3/1/2047	21,217		21,217	1,395.81	22,612.81
6/1/2047	21,217		21,217	1,395.81	22,612.81
9/1/2047	21,217		21,217	1,395.81	22,612.81
12/1/2047	21,217		21,217	1,395.81	22,612.81
3/1/2048	21,217		21,217	1,395.81	22,612.81
6/1/2048	21,217		21,217	1,395.81	22,612.81
9/1/2048	21,217		21,217	1,395.81	22,612.81
12/1/2048	21,217		21,217	1,395.81	22,612.81
3/1/2049	21,217		21,217	1,395.81	22,612.81
6/1/2049	21,217		21,217	1,395.81	22,612.81
9/1/2049	21,217		21,217	1,395.81	22,612.81
12/1/2049	21,217		21,217	1,395.81	22,612.81
3/1/2050	21,217		21,217	1,395.81	22,612.81
6/1/2050	21,217		21,217	1,395.81	22,612.81
9/1/2050	21,217		21,217	1,395.81	22,612.81
12/1/2050	21,217		21,217	1,395.81	22,612.81
3/1/2051	21,217		21,217	1,395.81	22,612.81
6/1/2051	21,217		21,217	1,395.81	22,612.81
9/1/2051	21,217		21,217	1,395.81	22,612.81
12/1/2051	21,217		21,217	1,395.81	22,612.81
3/1/2052	661		661	1,395.81	2,056.81
6/1/2052	661		661	1,395.81	2,056.81
9/1/2052	661		661	1,395.81	2,056.81
12/1/2052	661		661	1,395.81	2,056.81
	1,663,080				1,663,080.00

The Quarterly administrative fee of $1,395.81 results in a total Administrative expense of $214,954.74 over the life of the loan

101 South Queen Street
Martinsburg, West Virginia 25401

7000 Hampton Center
Morgantown, West Virginia 26505

511 7th Street
Moundsville, West Virginia 26041

501 Avery Street
Parkersburg, West Virginia 26101

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January 17, 2013

James V. Kelsh
Telephone — (304) 347-1135
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E-Mail Address:
jkelsh@bowlesrice.com

HAND DELIVERY

Sandra Squire
Executive Secretary
Public Service Commission of West Virginia
201 Brooks Street
Charleston, West Virginia 25301

Re: Case No. 12-0571-PSD-CN
Greater Marion Public Service District

Dear Ms. Squire:

The September 17, 2012 Recommended Decision, which was adopted as a final order by the Commission's October 17, 2012 Commission Order, requires the Greater Marion Public Service District ("District") to file an affidavit with the Commission from the District's CPA verifying that rates will not be effected in the event project funding changes. The amount of the forgivable loan from the West Virginia Department of Environmental Protection ("DEP") has increased from the level approved in the Recommended Decision of $1,762,594 to a new total of $1,997,679.

Attached hereto please find an affidavit from the District's CPA certifying that this charge in funding will not affect the District's rates.

Very truly yours,

James V. Kelsh

JVK/kay
Enclosure
cc: Ms. Carol Brooks
John Auville, Esquire

Bennett & Dobbins PLLC
CERTIFIED PUBLIC ACCOUNTANTS

317 Cleveland Avenue
Fairmont, WV 26554-1604
Telephone: (304) 366-4295 Fax: (304) 366-4311

GARY K. BENNETT, MBA-CPA
ZACHARY D. DOBBINS, CPA

PUBLIC SERVICE COMMISSION OF WEST VIRGINIA

Case No.: 12-0571-PSD-CN

GREATER MARION PUBLIC SERVICE DISTRICT

Application for a certificate of convenience to construct wastewater collection facility replacement project.

STATE OF WEST VIRGINIA
COUNTY OF MARION TO-WIT:

AFFIDAVIT

I, Zack Dobbins, CPA, after making an oath of affirmation to tell the truth, say that, I have reviewed the Recommended Decision of the Public Service Commission of West Virginia in Case No. 12-0571-PSD-CN entered September 17, 2012 approving funding consisting of (a) a West Virginia Division of Environmental Protection State Revolving Fund Loan of $1,663,080 (annual interest rate of 0% for a term of 40 years with an administrative fee of 0.5%); (b) a West Virginia Division of Environmental Protection State Revolving Fund negative amortization loan in the amount of $1,761,594; (c) an Appalachian Regional Commission grant in the amount of $1,250,000; and (d) a West Virginia Infrastructure and Jobs Development Council grant in the amount of $1,025,000.

Based upon all the information that has been provided to me, to date, I am of the opinion that the rates and charges are not affected by the revised funding consisting of: (a) a West Virginia Division of Environmental Protection State Revolving Fund Loan of $1,663,080 (annual interest rate of 0% for a term of 40 years with an administrative fee of 0.5%); (b) a West Virginia Division of Environmental Protection State Revolving Fund forgivable loan in the amount of $1,997,679; (c) an Appalachian Regional Commission grant in the amount of $1,250,000; and (d) a West Virginia Infrastructure and Jobs Development Council grant in the amount of $1,025,000.

This Affidavit is executed on the 16th day of January, 2013.

Zack Dobbins, CPA

Bennett & Dobbins PLLC
BENNETT & DOBBINS PLLC

Taken, subscribed and sworn to before me this 16th day of January, 2013.

My commission expires 12/21/2013.

[SEAL]
OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
GARY K. BENNETT, CPA
317 Cleveland Avenue
Fairmont, West Virginia 26554
My Commission Expires Dec. 21, 2013

Gary K. Bennett
Notary Public

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
10/7/2012

Entered: September 17, 2012

CASE NO. 12-0571-PSD-CN

GREATER MARION PUBLIC SERVICE DISTRICT,
a public utility, Worthington, Marion County,
Application for a certificate of convenience and necessity to construct wastewater collection facility replacement project.

RECOMMENDED DECISION

This Recommended Decision grants the certificate application and approves the Staff-recommended rates.

On May 3, 2012, Greater Marion Public Service District (Applicant/District) filed an application with the West Virginia Public Service Commission (Commission) for a certificate of convenience and necessity to replace its existing vacuum collection system in the communities of Carolina and Idamay with a gravity collection system and convey the sewage to the City of Worthington for treatment. The total estimated project cost is $5,700,000. The District proposed to pay for the project with a negative amortization loan from the West Virginia Department of Environmental Protection (WV DEP) State Revolving Fund (SRF) program in the amount of $2,000,000, with negative amortization resulting in no obligation for repayment; a WV DEP State Revolving Fund wrap loan payable over forty (40) years at 0% interest and a 0.5% administrative fee; a $500,000 grant from the Appalachian Regional Commission; and a $1,500,000 Small Cities Block Grant and a $275,000 grant from the West Virginia Infrastructure and Jobs Development Council, for a total of $1,775,000. The District's Rule 42 Exhibit included an increase in the District's volumetric rates of 34% to support the debt service and related operation and maintenance expenses associated with the proposed project. The District's application stated that, "The project is needed because the existing system is frequently overwhelmed during rain events, resulting in sewage backing up into customer basements. This problem has persisted for over a decade."

On May 4, 2012, a Notice of Filing was issued by the Commission which required that the District give notice of the filing of the certificate application, by publishing a copy of the Notice

of Filing once in a qualified newspaper as provided in W. Va. Code §59-3-1 et seq., published and of general circulation in counties where service is provided, making due return to the Public Service Commission of proper certification of publication within thirty (30) days from the date of publication. The District was also ordered to complete the mailing of separate notices to each of its customers, within thirty (30) days of May 4, 2012, by one of the following methods: (i) inclusion of the Form No. 14 Notice of Filing as a bill insert; (ii) separately mailing the Form No. 14 Notice of Filing; or (iii) only for utilities that bill by postcard instead of in an envelope, and who elect not to separately mail the Form No. 14 Notoce of Filing, inclusion of a statement on a postcard billing as follows: "This utility is seeking a rate increase. Details available in newspaper publications or at the utility office after May 3, 2012, by calling (304) 287-2222." The District was to make due return to the Public Service Commission of its affidavit as proper certification that the notice was provided.

The Notice of Filing stated that, "Anyone desiring to protest or intervene should file a written protest or notice of intervention within 30 days following the date of this publication unless otherwise modified by Commission Order. Failure to timely protest or intervene can affect your right to protest aspects of this certificate case, including any associated rate increases, or to participate in future proceedings." The Order also stated that, in the absence of substantial protest received within the stated thirty (30) day period, the Commission may waive formal hearing and grant the application based on the evidence submitted with the application and the Commission's review thereof.

On May 9, 2012, the District filed the original Contract 1 Plans, which were omitted from the application that was submitted to the Commission on May 3, 2012.

By Commission Referral Order issued on May 15, 2012, the case was referred to the Division of Administrative Law Judges. The Order required that, if no substantial public protest to the District's application was received within thirty days after the required notice was provided, the Division of Administrative Law Judges was to render a decision in this matter on or before September 17, 2012. If substantial protest was received within thirty days after the required notice was provided, the Division of Administrative Law Judges was to render its decision on or before October 15, 2012.

On May 22, 2012, the District filed an Affidavit of Publication from the *Times West Virginian,* a newspaper regularly published daily except Saturday and Sunday, in the Municipality of Fairmont, Marion County, West Virginia, and is a newspaper of "general circulation," as that term is defined in article three, chapter fifty-nine of the Code of West Virginia, 1931, as amended, within the publication area or areas of the aforementioned municipality and Marion County, which affirmed that the Notice of Filing had been published therein, as a Class I legal advertisement, on May 10, 2012.

On May 24, 2012, Staff Attorney John Auville of the Commission's Legal Division filed the Initial Joint Staff Memorandum along with the Utilities and Engineering Division Initial Memorandum, prepared by Utilities Analyst Karen Buckley of the Commission's Utilities Division and Technical Analyst Jim Spurlock of the Commission's Engineering Division. Staff

noted that funding commitment letters were not included in the District's application. Staff pointed out that a letter from the WV IJDC which was attached to the District's application would not be considered a commitment of funds, but only a determination that the proposed project had been found technically feasible. Staff noted that an Operation and Maintenance Agreement between the District and the Town of Worthington was included by the District along with its certificate application. The Operation and Maintenance Agreement was actually entered into between the Idamay Public Service District and the Town of Worthington. At the time the Agreement was entered into, the District's legal name was Idamay Public Service District. Staff noted that the District's application disclosed that the bill for the average residential customer (based upon consumption of 4,000 gallons of water per month) would increase by 34%, and the bill for the average commercial customer (based upon consumption of 8,647 gallons of water per month) would increase by 34%. Staff reported that, in its initial review of this certificate application, no deficiencies were found. However, Staff requested that the District file funding letters from all sources of funding within twenty (20) days. Staff indicated that a final written recommendation regarding this matter would be filed within the timeframe established in this matter.

On June 13, 2012, the District filed a Certificate of Notice to Customers of Change in Rates in which it affirmed that, on May 26, 2012, it mailed postcard bills for sewer service to its customers which included the statement that, "This utility is seeking a rate increase. Details available in newspaper publications or the utility office after May 3, 2012 by calling (304) 287-2244."

On June 21, 2012, a letter of protest was received by the Commission from Ida. P. Starks, of Carolina, West Virginia.

On June 22, 2012, the District's attorney filed correspondence with the Commission in which he advised that the District requested a binding commitment letter for the proposed funding from the West Virginia DEP. In response to the District's request, the DEP reviewed the funding proposal for the proposed project and the resulting rates. After its review, DEP reduced the amount of the negative amortization loan, and correspondingly increased the amount of the wrap loan. A binding commitment letter from the West Virginia DEP confirmed its intent to provide a negative amortization loan in the amount of $1,761,954 and a wrap loan in the amount of $1,663,080, payable over 38 years at 0% interest and a 0.5% administrative fee. The June 22, 2012 letter from the District's attorney stated that, "The District's accountant has reviewed DEP's revised funding package and determined that the change will not affect the District's proposed post-project rates."

On June 27, 2012, a one-page, unsigned letter was received by the Commission from Concerned Citizens of the Greater Marion Public Service District. The letter simply stated that, "We, the Concerned Citizens of the Greater Marion Public Service District, request intervener status regarding the new proposed sewer system, Case #12-0571-PSD-CN."

On July 6, 2012, a one-page letter was received by the Commission from Concerned Citizens of Greater Marion PSD, which stated, "We, the concerned citizens of the Greater

Marion Public Service District, request intervener status regarding the new proposed sewer system, case # 12-0571-PSD-CN. We have some concerns about the new system as proposed. We want to be certain, based on past experience, that the new system has the lowest probability of system failure. We also want to be sure it is the most cost effective option." Attached to the letter were notarized signatures of nine (9) individuals.

On July 6, 2012, the District's attorney filed an objection, on his client's behalf, to the request for intervenor status filed on June 27, 2012, and July 6, 2012, by a group identified as Concerned Citizens of Greater Marion Public Service District. The District requested that the intervention request be denied because it did not comply with the Commission's *Rules of Practice and Procedure* for petitions to intervene. The District's attorney reported that, "A business organization search on the West Virginia Secretary of State's website yields no results for the Concerned Citizens of the Greater Marion Public Service District." He also stated that the group appeared to be neither a natural person nor a legally recognized organization of any type. "As such, there is no one to whom the Commission could grant intervenor status."

On July 9, 2012, the Commission received a list of names, addresses and telephone numbers for the nine (9) individuals whose notarized signatures were attached to the correspondence filed with the Commission on July 6, 2012.

On July 11, 2012, Staff Attorney Auville filed Staff's first set of interrogatories, data requests and requests for information for the District. Staff requested that the District file responses the Staff's request as soon as the responses were available and no later than ten (10) days following service of Staff's requests.

On July 31, 2012, the District filed its response to Staff's first set of interrogatories, data requests and requests for information.

On August 1, 2012, Staff Attorney Auville filed the Final Joint Staff Memorandum along with the Utilities and Engineering Divisions Final Recommendation, prepared by Utilities Analyst Buckley and Technical Analyst Spurlock. Staff reported that it had been in contact with the District regarding the funding commitment letters. The District advised Staff that the ARC and WV IJDC funding had not yet been committed. Also, Staff indicated that the District had yet to provide an acceptable response to Staff's data requests, which had been filed on July 11, 2012. Technical Staff stated that, "Staff has reached its internal 90 day timeframe and is unable to make a final recommendation since the District has not filed its remaining commitment of funding. Thus, Staff recommends this case be dismissed." Staff Attorney Auville agreed with Technical Staff's conclusion that the case should be dismissed. However, Staff Attorney Auville added that, "If that committed funding is not filed within the next 14 days, this case should be dismissed."

On August 14, 2012, the District's attorney filed correspondence with the Commission in which he advised that, "The District provided the information it had on the accounting of the class action settlement funds by its July 31, 2012 response to Staff's July 11, 2012 data request." The District's attorney also stated that, "funding for this project has changed slightly from the

sources and amounts indicated in the District's original application, however the District's accountant has determined that these changes in funding do not affect the District's proposed post-project rates. In its June 22, 2012 response to the Initial Joint Staff Memorandum, the District provided the binding commitment letter from DEP for a $1,761,954 negative amortization loan, and a $1,663,080 wrap loan, payable over 40 years at 0% interest with a .5% administrative fee." The District attached, along with its letter, a binding commitment for the WV IJDC grant in the amount of $1,025,000 and a binding commitment from the ARC for a grant in the amount of $1,250,000.

On August 29, 2012, Staff Attorney Auville filed the Further Final Joint Staff Memorandum along with the Utilities and Engineering Divisions Further Final Recommendation, prepared by Utilities Analyst Buckley and Technical Analyst Spurlock. Technical Analyst Spurlock reported that the proposed project involves replacing the District's existing vacuum collection system in the communities of Carolina and Idamay with a gravity collection system. Sewage will continue to be conveyed to the Town of Worthington for treatment. The new conventional gravity system in the community of Idamay will flow to a pump station which will convey all of Idamay's sewage via force main to Carolina. The new conventional gravity system in the community of Carolina will flow to a second pump station which will convey all of the sewage via force main to the Town of Worthington for treatment. The total estimated project cost for the project is $5,700,000, which Technical Staff concluded appeared to be reasonable for the scope of the project. Given that total estimated project cost, the cost per customer would be $14,109 for the District's 404 existing customers. Technical Staff stated that operation and maintenance expenses were expected to increase by approximately $50,369 annually as a result of this project. Staff noted that there is excessive inflow and infiltration into the existing system which the District's engineering report characterized as unquantifiable. Because the actual volume or amount of inflow and infiltration is unknown at this time, the project was designed and expenses were calculated based upon an assumption that the excess inflow and infiltration would be double the amount of the customer base flow. Staff noted that it could be higher than the assumption, which would, in turn, drive up operation and maintenance expenses. Commission Staff stated that it was imperative that the District pursue a reduction of the inflow and infiltration into its system. Staff noted that Category A funds from the class action lawsuit would be available for this purpose. Permits and letters of approval have been received from the appropriate agencies. Staff's review of the plans and specifications for the proposed project did not reveal any conflicts with the Commission's rules and regulations. With regard to the issue of necessity, Utilities Analyst Spurlock stated that, "This is a much needed project to replace a failing vacuum collection system which shuts down during heavy rain events, resulting in sewage backing up into homes."

The Utilities Analyst explained that the project funding was revised after the certificate application was filed with the Commission. Ms. Buckley reported that the West Virginia Department of Environmental Protection has committed a total amount of $3,425,034. This amount includes a repayable wrap loan of $1,663,080 at 0% interest with a 0.5% administrative fee for a term of 40 years and a forgivable loan of $1,761,954. The Appalachian Regional

Commission has made a funding commitment of a grant in the amount of $1,250,000. The West Virginia Infrastructure and Jobs Development Council has committed the amount of $1,025,000.

Utilities Analyst Buckley reported that the District's Rule 42 Exhibit for this certificate case reflects an increase in rates of 34%, based on the year ending June 30, 2011. As part of this case, the District proposes to remove a surcharge of $1.09 per 1,000 gallons per bill per month. Funds generated by the surcharge were used to pay off a loan from the Class A Settlement Fund. The District has paid that loan in full. Utilities Analyst Buckley explained the background of the District's involvement as a party to a class action lawsuit, which resulted in a settlement. The proceeds of the settlement were divided into two (2) funds. Category A, totaling approximately $1,910,000, was to be used primarily to repair the District's existing vacuum sewer system. Pursuant to the settlement, all expenditures from Category A funds were required to be approved by a three (3) member panel consisting of representatives of the Marion County Commission, the Greater Marion Public Service District and the "class." Legal fees of $200,000 were to be paid from Category A funds and the Marion County Commission was to be reimbursed $300,000 from the Category A funds. Staff reported that the District has approximately $437,000 remaining in Category A funds after expenditures for repairs. The District also anticipates some reimbursement at closing for some amounts paid to advance the current project. The District plans to use the remaining Category A funds for further reduction of inflow and infiltration. The settlement agreement states that Category B funds will be utilized primarily to compensate homeowners for property and personal injury damages. If any additional money is made available by an excess insurer, that sum would be transferred to a Category C fund for the exclusive benefit of the Class Plaintiffs.

Utilities Analyst Buckley recommended an increase in rates of 31.3% to support the project. Such an increase would give the District a surplus of $8,249 and bond coverage of 115%. The District's Rule 42 Exhibit shows a six-year average of capital additions of $344. Under the Staff-recommended rates, the average monthly bill for residential customers (based upon usage of 4,062 gallons of water per month) would increase by $11.50, from $36.76 to $48.26 per month, an increase of 31.3%. Under the Staff-recommended rates, the average monthly bill for commercial customers (based upon usage of 10,510 gallons of water per month) would increase by $28.64, from $91.48 to $120.12, an increase of 31.3%. Under the Staff-recommended rates, the average monthly bill for public authority customers (based upon usage of 2,050 gallons of water per month) would increase by $5.80, from $18.55 to $24.35, or 31.3%. The District does not have any industrial customers. Staff also recommended that the District's leak adjustment rate be decreased to $4.66 per 1,000 gallons.

Ms. Buckley determined that the District's proposed rates would generate a total surplus of $14,128, including the renewal and replacement reserve, and 122% debt coverage ratio after completion of the project. The Staff-recommended rates would generate a total surplus of $8,249, including the renewal and replacement reserve, and 115% debt coverage ratio after completion of the project, which would satisfy the 115% debt service coverage requirement. Other modifications to the District's current tariff were recommended by the Utilities Analyst.

Staff recommended that the District's application for a certificate of convenience and necessity to construct a wastewater collection facility replacement project be approved in the amount of $5,700,034. Staff's recommendation included

(1) Approval of project funding as follows:

a.	WV DEP State Revolving Fund loan (0%, 40 years, 0.5% administrative fee and a 115% bond coverage rate until debt service reserve is fully funded; thereafter bond coverage rate of 110%)	$1,663,080
b	DEP SRF negative amortization loan	$1,761,954
c.	Appalachian Regional Commission loan	$1,250,000
d.	IJDC grant	$1,025,000;

(2) If there are any changes in the plans or scope of the project, the District must seek Commission approval of such changes. If there are changes in the rates to be charged associated with the project, the District must also seek Commission approval of such changes. However, if project-related rates remain unchanged, it is not necessary for the District to seek further Commission approval of changes in project costs or financing. Under such circumstances, the District should be required to file an affidavit executed by its certified public accountant verifying that its rates and charges are not affected;

(3) The District provide a copy of the project engineer's certified bid tabulation(s) for all contracts to be awarded for this project as soon as they become available;

(4) The District submit a copy of the "Certificate of Substantial Completion" issued for each construction contract associated with the project as soon as it becomes available; and

(5) Approval of the Staff-recommended rates and charges found on Schedule 4, attached to the Further Final Joint Staff Memorandum.

On September 12, 2012, Staff Attorney Auville filed the Further Final Joint Staff Memorandum along with the Utilities and Engineering Divisions 2nd Further Final Recommendation, prepared by Utilities Analyst Buckley and Technical Analyst Spurlock. Staff reported that, after the Further Final Joint Memorandum and attachments were filed in this matter on August 29, 2012, Staff learned that the debt service reserve was incorrect on the Cash Flow Analysis included with Staff's memorandum. Staff explained that the debt service reserve should have been $8,487. Because the debt service reserve had to be increased, Staff has now revised it's previous recommended rate increase of 31.3%. Staff recommended that the District's rates be increased by 33.2% to support this project. The revised rates should generate a total surplus of $7,335 and a bond coverage ratio of 122.91%.

Under the revised Staff-recommended rates, the average monthly bill for residential customers (based on usage of 4,062 gallons of water per month) would increase by $12.19, from

$36.76 to $48.95, or 33.2%; the average monthly bill for commercial customers (based on usage of 10,510 gallons of water per month) would increase by $30.38, from $91.48 to $121.86, or 33.2%; and the average monthly bill for public authority customers (based on usage of 2,050 gallons of water per month) would increase by $6.15, or 33.2%.

On September 13, 2012, the District's attorney filed correspondence with the Commission in which he advised that the District concurred with Staff's recommendations as set forth in the Further Final Joint Staff Memorandum filed in this case on September 12, 2012.

DISCUSSION

After completing its review of Greater Marion Public Service District's certificate application filed on May 3, 2012, Commission Staff recommended approval of the subject certificate application. That recommendation, along with several additional conclusions and recommendations, was set forth in the Further Final Joint Staff Memorandum and attachments, which were filed in this case on August 29, 2012 and later revised by Commission Staff in its Further Final Joint Staff Memorandum and attachments filed in this case on September 12, 2012. Thereafter, the District's attorney filed correspondence with the Commission on September 13, 2012, in which he reported that the District had reviewed Staff's Further Final Joint Staff Memorandum and attachments, filed in this case on September 12, 2012 and the District concurred with Staff's recommendations. The District has accepted Staff's recommendation that the certificate application be granted, along with Staff's recommendation of a 33.2% across-the-board rate increase and approval of the funding as described by Commission Staff in its further final memorandum filed in this case on September 12, 2012.

The only protest that was received by the Commission in response to the District's publication of its Notice of Filing in the *Times West Virginian* on May 10, 2012, was received on June 21, 2012, from Ida B. Starks of Carolina, West Virginia. However, the Notice of Filing contained the following language, "Anyone desiring to protest or intervene should file a written protest or notice of intervention within thirty (30) days following the date of this publication unless otherwise modified by Commission order." In this case, the protest from Ms. Starks was untimely as it was received approximately eleven (11) days beyond the conclusion of the thirty (30) day public protest period. Furthermore, the Commission's May 4, 2012 Order stated that, "in the absence of substantial protest received within the thirty (30) day period, the Commission may waive formal hearing and grant the application based on the evidence submitted with the application and the Commission's review thereof." Since the protest filed by Ms. Starks was the only public protest, it is reasonable to conclude that there was not substantial protest to the District's application.

On July 6, 2012, approximately one month after the thirty (30) day public protest and intervention period had expired, the Commission received a request for intervention signed by nine (9) individuals who identified themselves as "Concerned Citizens of the Greater Marion Public Service District." They stated that, "We have some concerns about the new system as proposed. We want to be certain, based on past experience, that the new system has the lowest

probability of system failure. We also want to be sure it is the most cost effective option." The request for intervention did not include a request for a hearing.

The District objected to the intervention on the basis that the request for intervention was not from an actual "person," as required by the Commission's *Rules of Practice and Procedure* regarding intervention motions or requests. The District also objected based upon the fact that there was no record of the "Concerned Citizens of the Greater Marion Public Service District" as a valid business organization on the West Virginia Secretary of State's website. The District's reasoning is not convincing. Even though the actual intervention request was presented by the "Concerned Citizens of the Greater Marion Public Service District," nine (9) identified individuals signed notarized signature pages that were attached to the request indicating that they were customers of the District.

However, the request for intervention cannot be granted because the request was not filed in a timely manner. As previously noted herein, the District's Notice of Filing (published on May 10, 2012 in the *Times West Virginian*) stated that, "Anyone desiring to protest or intervene should file a written protest or notice of intervention within thirty (30) days following the date of this publication unless otherwise modified by Commission order." Further, Rule 12.6 of the Commission's *Rules of Practice and Procedure* requires that, "Any person having a legal interest in the subject matter of any hearing or investigation pending before the Commission may petition or move orally for leave to intervene in the proceeding. **Unless the Commission establishes an intervention deadline by order, petitions and oral requests to intervene may be made prior to or at the time a case is called for hearing, but not thereafter except for good cause shown."** Because a specific time frame of thirty (30) days was established in the Notice of Filing for requesting intervention and since the request filed in this case on July 6, 2012, was filed almost one month beyond the time frame established by the Commission, the request for intervention filed in this case on July 6, 2012, must be denied.

The record reflects that the Notice of Filing was properly published as a Class I legal notice, as directed in the Commission's May 4, 2012 Order. The Notice of Filing provided that public protests or requests for intervention regarding the certificate application filed by Greater Marion Public Service District be filed with the Public Service Commission within thirty (30) days of the date of publication of the Notice of Filing. The District later filed an affidavit of publication demonstrating that publication of the Notice of Filing occurred on May 10, 2012. The District also filed a certificate in which it affirmed that it sent postcard bills to each of its customers on May 26, 2012, which contained a statement which notified its customers that it was seeking a rate increase and that additional information or details could be found in future newspaper publications or by contacting the District by telephone. The District has substantially complied with the public notice requirements related to certificate applications which include rate increases.

FINDINGS OF FACT

1. Greater Marion Public Service District filed an application with the Public Service Commission of West Virginia for a certificate of convenience and necessity to construct a project designed to replace its existing vacuum wastewater collection system with a conventional gravity wastewater collection system in the communities of Carolina and Idamay, which will convey all wastewater collected, via force main, to the Town of Worthington for treatment. (See, certificate application filed May 3, 2012).

2. The project consists of the construction of 22,000 feet of six (6), eight (8) and ten (10)-inch gravity sewer lines; 21,450 feet of four (4), six (6) and eight (8)-inch force main, and two (2) pumping stations. (See, Further Final Joint Staff Memorandum and Utilities and Engineering Divisions Further Final Recommendation, filed August 29, 2012).

3. Total estimated project cost is $5,700,000. (See, certificate application filed May 3, 2012).

4. The project funding consists of a West Virginia Department of Environmental Protection State Revolving Fund loan in the amount of $1,663,080 (at an annual interest rate of 0%, for a term of 40 years, with an administrative fee of 0.5%); a West Virginia Department of Environmental Protection State Revolving Fund negative amortization loan in the amount of $1,761,594; an Appalachian Regional Commission grant in the amount of $1,250,000, and a West Virginia Infrastructure and Jobs Development Council grant in the amount of $1,025,000. (See, Utilities and Engineering Divisions 2nd Further Final Recommendation, filed September 12, 2012; August 14, 2012 filing; June 22, 2012 filing).

5. The Town of Worthington has been treating the District's wastewater flows from this area based upon a Transmission and Treatment Agreement, originally entered into by the parties and dated August 10, 1998. (See, May 3, 2012 filing, Exhibit I).

6. The Town of Worthington and the District are parties to an existing Operation and Maintenance Agreement which was entered into by the parties on August 10, 1998, pursuant to which the Town of Worthington operates and maintains the District's existing sewage collection System in the communities of Carolina and Idamay. (See, May 3, 2012 filing, Exhibit H).

7. The Operation and Maintenance Agreement between the Town of Worthington and the District, as well as the Transmission and Treatment Agreement between the Town of Worthington and the District were previously approved by the Public Service Commission in Case No. 98-0474-PSD-CN (March 29, 1999 Recommended Decision, final April 18, 1999). (See, certificate application filed May 3, 2012).

8. The existing vacuum collection system shuts down during heavy rain events, resulting in sewage backing up into homes. (See, Further Final Joint Staff Memorandum and Utilities and Engineering Division Further Final Recommendation, filed August 29, 2012).

9. Operation and maintenance expenses are expected to increase by approximately $50,369 annually as a result of the proposed project. (See, Further Final Joint Staff Memorandum and Utilities and Engineering Division Further Final Recommendation, filed August 29, 2012).

10. The District's current rates and charges do not generate a level of revenue sufficient to offset the various costs and expenses associated with construction, operation and maintenance of the new conventional gravity wastewater collection system and facilities proposed by the District in this certificate application. Further, they generate a debt service coverage of 114.64%. The District's bonds require a minimum debt service coverage of 115%. (See, Further Final Joint Staff Memorandum, filed September 12, 2012, cash flow analysis - revised).

11. The Staff-recommended increased rates and charges for providing wastewater collection and treatment services, representing a 33.2% increase, will generate a cash flow surplus of $7,335 and a debt service coverage ratio of 122.91%, after completion of the project. (See, Further Final Joint Staff Memorandum, filed September 12, 2012, cash flow analysis-revised).

12. Greater Marion Public Service District issued postcard bills for sewer service to each of its customers on May 26, 2012, which included a statement that, "This utility is seeking a rate increase. Details available in newspaper publications or the utility office after May 3, 2012 by calling (304)287-2244," in compliance with Rule 10.3.c.3 of the Public Service Commission's *Rules of Practice and Procedure*. (See, June 13, 2012 filing).

13. Greater Marion Public Service District published the Notice of Filing regarding this certificate application in the *Times West Virginian*, a newspaper published daily, except for Saturday and Sunday, published in the Municipality of Fairmont, Marion County, West Virginia, in compliance with the Commission's Order entered in this matter on May 4, 2012. The protest/intervention period expired on June 11, 2012. (See, affidavit of publication filed May 22, 2012).

14. No timely protests or requests to intervene were filed. (See, case file generally).

CONCLUSIONS OF LAW

1. The public convenience and necessity require the replacement of the District's existing wastewater collection system and facilities described by Greater Marion Public Service District in its certificate application filed with the Public Service Commission of West Virginia on May 3, 2012.

2. It is reasonable to grant Greater Marion Public Service District's application for a certificate of public convenience and necessity to replace its existing wastewater collection

system and facilities as described by Greater Marion Public Service District in its certificate application filed with the Public Service Commission of West Virginia on May 3, 2012.

3. It is reasonable to approve the funding for the project described in Greater Marion Public Service District's certificate application filed with the Public Service Commission of West Virginia on May 3, 2012, consisting of a West Virginia Department of Environmental Protection State Revolving Fund loan in the amount of $1,663,080 (at an annual interest rate of 0%, for a term of 40 years with an administrative fee of 0.5%); a West Virginia Department of Environmental Protection State Revolving Fund negative amortization loan in the amount of $1,761,594; an Appalachian Regional Commission grant in the amount of $1,250,000; and a West Virginia Infrastructure and Jobs Development Council grant in the amount of $1,025,000.

4. The rates recommended by Commission Staff and set forth in Schedule 4 of the Further Final Joint Staff Memorandum filed in this case on September 12, 2012, are sufficient, but not more than sufficient, to cover the District's operation and maintenance expenses, taxes, debt service requirements and capital additions, including those increases generated by the project certificated herein.

5. Greater Marion Public Service District has complied with the public notice requirements established by the Public Service Commission.

6. Because a specific time frame of thirty (30) days was established in the Notice of Filing for requesting intervention and since the intervention request filed in this case on July 6, 2012, was filed almost one month beyond the time frame established by the Commission, the request for intervention must be denied.

ORDER

IT IS, THEREFORE, ORDERED that the application filed on May 3, 2012, by Greater Marion Public Service District, for a certificate of convenience and necessity to construct a wastewater collection facility replacement project, at a total cost of $5,700,000, be, and hereby is, granted.

IT IS FURTHER ORDERED that the financing for the project proposed by Greater Marion Public Service District, consisting of a West Virginia Department of Environmental Protection State Revolving Fund loan in the amount of $1,663,080 (annual interest rate of 0%, for a term of 40 years with an administrative fee of 0.5%); a West Virginia Department of Environmental Protection State Revolving Fund negative amortization loan in the amount of $1,761,594; an Appalachian Regional Commission grant in the amount of $1,250,000; and a West Virginia Infrastructure and Jobs Development Council grant in the amount of $1,025,000, be, and hereby is, approved.

IT IS FURTHER ORDERED that the rates set forth in Appendix A attached hereto be, and hereby are, approved for use by Greater Marion Public Service District, upon substantial completion of the project certificated in this case.

IT IS FURTHER ORDERED that Greater Marion Public Service District submit a certificate of substantial completion for each construction contract involved in this project, within ten (10) days of its issuance.

IT IS FURTHER ORDERED that Greater Marion Public Service District file a copy of the engineer's certified tabulation of bids for each construction contract or vendor bid contract awarded for this project, within ten (10) days of the bid opening date.

IT IS FURTHER ORDERED that, should there be any changes in the scope, plans or financing of the project, or if a change in project cost affects the rates approved herein for the project, Greater Marion Public Service District obtain Commission approval of such changes, prior to commencing construction.

IT IS FURTHER ORDERED that, if there is a change in project cost that does not affect rates, Greater Marion Public Service District is not required to obtain Commission approval of such change. However, Greater Marion Public Service District shall, in such case, file an affidavit with the Commission, duly executed by its Certified Public Accountant, verifying that rates are not affected.

IT IS FURTHER ORDERED that, if this project requires the use of Division of Highways' rights-of-way, Greater Marion Public Service District comply with all rules and regulations of the Division of Highways regarding the use of those rights-of-way.

IT IS FURTHER ORDERED that the request for intervenor status filed in this case on July 6, 2012 by nine (9) specific individuals jointly identified as Concerned Citizens of Greater Marion Public Service District, be, and hereby is, denied.

IT IS FURTHER ORDERED that this matter be, and hereby is, removed from the Commission's docket of open cases.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this Recommended Decision upon all parties by electronic service, if they have filed an e-service agreement with the Commission; by United States Certified Mail, return receipt requested, if they have not filed an e-service agreement with the Commission; and upon Commission Staff by hand delivery.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this Recommended Decision is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed, this Recommended Decision shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's order by filing an appropriate petition in writing with the Executive Secretary. No such waiver will be effective until approved by order of the Commission.

Cecelia Gail Jarrell
Administrative Law Judge

CGJ:s:cdk
120571a.doc

GREATER MARION PUBLIC SERVICE DISTRICT
CASE NO. 12-0571-PSD-CN

APPROVED RATES

SCHEDULE I

APPLICABILITY

Applicable within the entire area served.

AVAILABILITY

Available for general domestic, commercial, industrial service and sale for resale service.

RATES (Customers with metered water supply)

Next	5,000 gallons used per month	$12.05
Next	15,000 gallons used per month	$11.18
Next	30,000 gallons used per month	$10.31
All Over	50,000 gallons used per month	$ 9.43

MINIMUM MONTHLY BILL

No bill will be rendered for less than $35.58 per month.

TAP FEE

The following charge is to be made whenever the utility installs a new tap to serve an applicant:

A tap fee of $300.00 will be charged to all customers applying for service outside of a certificate proceeding before the Commission for each new tap to the system.

DISCONNECT/RECONNECT FEE

Whenever water service has been disconnected for non-payment of sewer bills in conjunction with a water service termination agreement with the Town of Monongah, a disconnection fee of $25.00 shall be charged; or in the event the delinquent sewer bill is collected by the water company, an administrative fee of $25.00 shall be charged.

Wherever water service, which has been previously disconnected or otherwise withheld for non-payment of a sewer bill in connection with a water service termination agreement with the Town of Monongah, is reconnected, a reconnect fee of $25.00 shall be charged.

Whenever water service has been disconnected for non-payment of sewer bills in conjunction with a water service termination agreement with the Town of Worthington, a

disconnection fee of $20.00 shall be charged; or in the event the delinquent sewer bill is collected by the water company, an administrative fee of $20.00 shall be charged.

Wherever water service, which has been previously disconnected or otherwise withheld for non-payment of a sewer bill in connection with a water service termination agreement with the Town of Worthington, is reconnected, a reconnect fee of $20.00 shall be charged.

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full when due, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

LEAK ADJUSTMENT

$4.66 per 1,000 gallons is to be used when the bill reflects unusual consumption which can be attributed to eligible leakage on the customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical average usage.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the District, not to exceed $25.00, will be imposed upon any customer whose check for payment of charges is returned by their bank due to insufficient funds.

SECURITY DEPOSIT

Not to exceed two-twelfths (2/12) of the average annual usage of the applicant's specific customer class, or fifty dollars, whichever is greater. This fee may be changed by applicable statutory provisions.

ADMINISTRATIVE FEE

To be charged in the even the District or its agent collects payment in full of a delinquent sewer bill at the customer's premise in lieu of discontinuance of water service for nonpayment of a sewer bill.

SCHEDULE II

SURCHARGE FORMULA TO BE APPLIED IN CASES WHERE SURFACE DRAINAGE IS CONNECTED TO THE DISTRICT'S SANITARY SYSTEM

APPLICABILITY

Wherever the District has discovered that a customer's roof drain, downspout, storm sewer or similar facility conducting surface water has been connected to the District's sewer system and such customer has failed to take appropriate action within thirty (30) days of receipt of a demand by the District in accordance with the rules and regulations

of the Public Service Commission to eliminate such connection, a surcharge will be imposed upon the customer calculated on the basis of the following formula:

$$S = A \times R \times .0006233 \times C$$

S	=	the surcharge in dollars
A	=	the area under roof and/or the area of any other water collecting surface connected to the sanitary sewer, in square feet
R	=	the measured monthly rainfall, in inches
.0006233	=	a conversion factor to change inches of rain x square feet of surface to thousands of gallons of water
C	=	the District's approved rate per thousand gallons of metered water usage

The utility shall not impose the surcharge unless and until the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing, dye testing, or on-site inspection that rain or surface water is being introduced into the sanitary sewer system at the customer's location, and that the customer has not acted within thirty (30) days from receipt of such notice to divert the water from the sanitary sewer system.

Said surcharge shall be calculated and imposed for each month the condition continues to exist. Failure to pay the surcharge and/or correct the situation shall give rise to the possible termination of water service in accordance with the rules and regulations of the Public Service Commission of West Virginia.

WEST VIRGINIA
Infrastructure & Jobs Development Council

Gov. Earl Ray Tomblin
Chairman

Kenneth Lowe, Jr.
Public Member

David "Bones" McComas
Public Member

Ron Justice
Public Member

Louis R. Spatafore
Public Member

Joseph Freeland
Public Member

D. K. "Bud" Carr
Public Member

James W. Ellars, P.E.
Executive Director

Barbara J. Pauley
Administrative Secretary

Friday, April 13, 2012

Carol Brooks, Office Manager
Greater Marion Public Service District
P.O. Box 237
Carolina, WV 26563

Re: Greater Marion Public Service District
GMPSD Gravity Sewer Project - Project 2012S-1320 (originally 2009S-1097)
Revised Preliminary Application Approved

Dear Ms. Brooks:

The West Virginia Infrastructure and Jobs Development Council (Infrastructure Council) has reviewed the revised preliminary application for the above-referenced project (Project).

Based on the findings of the Sewer Technical Review Committee, the Council has determined that the Project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The Sponsor should carefully review the comments of the Sewer Technical Review Committee, as found on the Project Team Members' Dashboards at www.wvinfrastructure.com, as the Sponsor may need to address certain issues raised in said comments as it proceeds with the Project.

Below is grant information for this Project:

IJDC District1 Grant - $1,775,000.00 - Recommended
CWSRF Debt Forgiveness - $2,000,000.00 - Recommended
ARC Grant - $500,000.00 - Recommended

Below is loan information for this Project:

CWSRF Wrap Loan - $1,425,034.00 (0%, ½% Admin Fee, 40 yrs) - Recommended

Total project cost is $5,700,034. This letter is not a commitment of Infrastructure Funds, and the Council will commit to providing any additional funds up to $500,000 in the event that part or the entire ARC grant is not committed.

If you have any questions regarding this matter, please contact James W. Ellars (304) 414-6501 (X106).

Sincerely,

Kenneth Lowe, Jr.

cc: DEP Rep Name, DEP
WOLFE, LEA, Region VI-Planning & Development Council
VANSCOY, DAVID G., RK&K Engineers
DOBBINS, ZACHARY D, Bennett & Dobbins PLLC

5-23-11

WEST VIRGINIA
Infrastructure & Jobs Development Council

Gov. Joe Manchin, III
Chairman

Kenneth Lowe, Jr.
Public Member

Dwight Calhoun
Public Member

David "Bones" McComas
Public Member

Ron Justice
Public Member

Angela K. Chestnut, P.E.
Executive Director

Barbara J. Pauley
Administrative Secretary

March 5, 2010

Melanie Sisk, Chairman
Greater Marion Public Service District
P.O. Box 237
Carolina, WV 26563

Re: Greater Marion PSD (Carolina & Idamay)
Sewer Project 2009S-1097 (resubmitted)

Dear Ms. Sisk,

The West Virginia Infrastructure and Jobs Development Council (Infrastructure Council) has reviewed the Greater Marion Public Service District's (District) resubmitted preliminary application to replace the existing vacuum collection system within the communities of Carolina and Idamay with a gravity collection system (Project).

Based on the findings of the Sewer Technical Review Committee, the Infrastructure Council has determined that the Project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The District should carefully review the enclosed comments of the Sewer Technical Review Committee as the District may need to address certain issues raised in said comments as it proceeds with the Project.

Upon consideration of the resubmitted preliminary application, the Infrastructure Council determined that the District should pursue a $3,700,000 Clean Water State Revolving Fund forgivable loan and Rural Utilities Service assistance for $2,000,000 to fund this $5,700,000 Project. Please contact the West Virginia Division of Environmental Protection office at 304-926-0499 (X1611) and the Rural Utilities Service office at 304-636-2158 for specific information on the steps the District needs to follow to apply for these funds. **Please note that this letter <u>does not</u> constitute funding approval from these agencies.**

If you have any questions regarding this matter, please contact Angela K. Chestnut at 304-558-4607 (X201).

Sincerely,

Kenneth Lowe, Jr.

Enclosure

cc: Mike Johnson, P.E., DEP (w/o enclosure) *(via e-mail)*
Joe Crickenberger, RUS
Lea Wolfe, Region VI Planning & Development Council
David G. Vanscoy, P.E., Rummel, Klepper & Kahl, LLP

west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street, SE
Charleston WV 25304
Telephone: (304) 926-0495
Fax: (304) 926-0496

Earl Ray Tomblin, Governor
Randy C. Huffman, Cabinet Secretary
dep.wv.gov

June 6, 2012

Ms. Carol Brooks, Office Manager
Greater Marion Public Service District
P. O. Box 237
Carolina, WV 26563

RE: Greater Marion PSD BCL
SRF No. C-544251-03
IJDC No. 2012S-1320

Dear Ms. Brooks:

This letter is to confirm our intention of providing the long-term financing through the Clean Water State Revolving Fund Program for the Greater Marion PSD's (PSD's) wastewater improvement project. The project will extend and replace the PSD's existing vacuum system in the communities of Carolina and Idamay with a gravity collection system.

We are hereby committing an amount of $3,425,034 which contains two loan components. A repayable wrap loan of $1,663,080 will be issued at 0% interest, 0.5% annual administrative fee, for a term of 40 years (38-year payback). A forgivable loan amount of $1,761,954 may also be assumed. The PSD qualifies for these terms as long as the 4,000 gallon average sewer rate is equal to or greater than $48.18 (2.0% MHI). The final loan amount may be adjusted after receipt of bids and a formal application is submitted.

If the PSD's bonds have not been issued to the Fund prior to December 6, 2012, it is understood that the Fund reserves the right to discontinue processing the PSD's application and on that day, will have no further responsibilities or obligations hereunder.

Should you have any questions, please do not hesitate to contact me at (304) 926-0499, ext. 1596 or at Katheryn.D.Emery@wv.gov .

Sincerely,

Katheryn D. Emery, P.E.
Program Manager
Clean Water SRF Program

KDE/jt

cc: Mr. Jim Kelsh, Esquire, Bowles Rice
Ms. Samme Gee, Esquire, Jackson Kelly
Mr. Dave Vanscoy, P.E., RK&K
Mr. Jim Ellars, P. E., IJDC

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On this 1st day of February, 2013, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Chairman of Greater Marion Public Service District (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), of the Issuer, in the principal amount of $1,663,080 numbered AR-1 (the "Series 2013 A Bonds"), and the Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), of the Issuer, in the principal amount of $1,997,679, numbered BR-1 (the "Series 2013 B Bonds"), both issued as a single, fully registered Bond, and dated February 1, 2013.

2. At the time of such receipt, both the Series 2013 A Bonds and the Series 2013 B Bonds had been executed by the Chairman and the Secretary of the Issuer by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2013 A Bonds, of $406,968, being a portion of the principal amount of the Series 2013 A Bonds. The balance of the principal amount of the Series 2013 A Bonds will be advanced by the Authority and the West Virginia Department of Environmental Protection to the Issuer as acquisition and construction of the Project progresses.

4. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2013 B Bonds, of $84,528, being a portion of the principal amount of the Series 2013 B Bonds. The balance of the principal amount of the Series 2013 B Bonds will be advanced by the Authority and the West Virginia Department of Environmental Protection to the Issuer as acquisition and construction of the Project progresses.

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Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: _____
Its: Authorized Representative

GREATER MARION PUBLIC SERVICE DISTRICT

By: _____
Its: Chairman

439080.00002

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

The Huntington National Bank,
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

On this 1st day of February, 2013, there are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of the Greater Marion Public Service District Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), in the principal amount of $1,663,080, and Bond No. BR 1, constituting the entire original issue of the Greater Marion Public Service District Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), in the principal amount of $1,997,679, (collectively, the "Series 2013 Bonds"), executed by the Chairman and the Secretary of the Greater Marion Public Service District (the "Issuer") and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Resolution adopted by the Issuer on January 19, 2013, and a Supplemental Resolution duly adopted by the Issuer on January 19, 2013 (collectively, the "Bond Legislation");

(2) A copy of the Bond Legislation authorizing the above-captioned Series 2013 Bonds, duly certified by the Secretary of the Issuer;

(3) Executed counterparts of a Bond Purchase Agreement for the Series 2013 Bonds, dated February 1, 2013, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"); (the "Bond Purchase Agreement"); and

(4) Executed opinions of nationally recognized bond counsel regarding the validity of the Bond Purchase Agreement and the Series 2013 Bonds.

You are hereby requested and authorized to deliver the Series 2013 A Bonds to the Authority upon payment to the Issuer of the sum of $406,968, representing a portion of the principal amount of the Series 2013 A Bonds. Prior to such delivery of the Series 2013 A Bonds, you will please cause the Series 2013 A Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the forms of Certificate of Authentication and Registration thereon.

You are also hereby requested and authorized to deliver the Series 2013 B Bonds to the Authority upon payment to the Issuer of the sum of $84,528, representing a portion of the principal amount of the Series 2013 B Bonds. Prior to such delivery of the Series 2013 B Bonds, you will please cause the Series 2013 B Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the forms of Certificate of Authentication and Registration thereon.

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Dated as of the day and year first written above.

GREATER MARION PUBLIC SERVICE DISTRICT

By: _____

Its: Chairman

439080.00002

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER MARION PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1

$1,663,080

KNOW ALL MEN BY THESE PRESENTS: The 1st day of February, 2013, that GREATER MARION PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Marion 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 West Virginia Water Development Authority (the "Authority") or registered assigns the sum of ONE MILLION SIX HUNDRED SIXTY-THREE THOUSAND EIGHTY DOLLARS ($1,663,080), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2014 to and including December 1, 2052, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee of 0.5% (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2014, as set forth on said EXHIBIT B.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated February 1, 2013.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of improvements and extensions to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds (the "Bonds") and related costs. The existing public sewerage system of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on January 19, 2013, and a Supplemental Resolution duly adopted by the Issuer on January 19, 2013 (collectively, the "Bond Legislation"), and is subject to all the

terms and conditions thereof. The Bond Legislation 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 Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S: (I) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $400,000 (THE "SERIES 1999 A BONDS"); (II) SEWER REVENUE BONDS, SERIES 1999 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,700,000 (THE "SERIES 1999 B BONDS"); (III) SEWER REVENUE BONDS, SERIES 2000 (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $400,000 (THE "SERIES 2000 BONDS"), (COLLECTIVELY, THE "PRIOR BONDS"); AND (IV) SEWER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 1, 2013, ISSUED SIMULTANEOUSLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,997,679 (THE "SERIES 2013 B BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) 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 Series 2013 B Bonds and the Prior Bonds and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2013 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, 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 constitutional or statutory provisions or limitations, 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 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, 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 junior to the Bonds, including the Series 2013 B Bonds and the Prior Bonds; provided however, that so long as there exists in the Series 2013 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, including the Series 2013 B Bonds and the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of The Huntington National Bank, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision 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.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, 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 at 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 the 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 the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and 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, GREATER MARION PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

Chairman

ATTEST:

Secretary

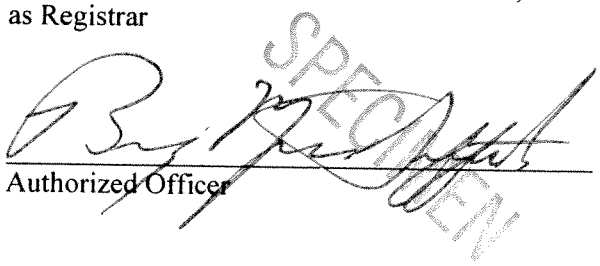
SPECIMEN
SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2013 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: February 1, 2013.

THE HUNTINGTON NATIONAL BANK,
as Registrar



Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $406,968	02/01/2013	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

Bond Debt Service

Greater Marion PSD

CW SRF

0% Interest Rate, 0.5% Administrative fee

40 Years from Closing Date

Dated Date	2/1/2013
Delivery Date	2/1/2013

Period Ending	Principal	Interest	Debt Service	Administrative Fee	Debt Service inc. Adm fee
6/1/2014					
9/1/2014	1,316		1,316	1,395.81	2,711.81
12/1/2014	1,316		1,316	1,395.81	2,711.81
3/1/2015	1,316		1,316	1,395.81	2,711.81
6/1/2015	1,316		1,316	1,395.81	2,711.81
9/1/2015	1,316		1,316	1,395.81	2,711.81
12/1/2015	1,316		1,316	1,395.81	2,711.81
3/1/2016	1,316		1,316	1,395.81	2,711.81
6/1/2016	1,316		1,316	1,395.81	2,711.81
9/1/2016	1,316		1,316	1,395.81	2,711.81
12/1/2016	1,316		1,316	1,395.81	2,711.81
3/1/2017	1,316		1,316	1,395.81	2,711.81
6/1/2017	1,316		1,316	1,395.81	2,711.81
9/1/2017	1,316		1,316	1,395.81	2,711.81
12/1/2017	1,316		1,316	1,395.81	2,711.81
3/1/2018	1,316		1,316	1,395.81	2,711.81
6/1/2018	1,316		1,316	1,395.81	2,711.81
9/1/2018	1,316		1,316	1,395.81	2,711.81
12/1/2018	1,316		1,316	1,395.81	2,711.81
3/1/2019	1,316		1,316	1,395.81	2,711.81
6/1/2019	1,316		1,316	1,395.81	2,711.81
9/1/2019	1,316		1,316	1,395.81	2,711.81
12/1/2019	1,316		1,316	1,395.81	2,711.81
3/1/2020	1,316		1,316	1,395.81	2,711.81
6/1/2020	1,316		1,316	1,395.81	2,711.81
9/1/2020	1,316		1,316	1,395.81	2,711.81
12/1/2020	1,316		1,316	1,395.81	2,711.81
3/1/2021	2,566		2,566	1,395.81	3,961.81
6/1/2021	2,566		2,566	1,395.81	3,961.81
9/1/2021	2,566		2,566	1,395.81	3,961.81
12/1/2021	2,566		2,566	1,395.81	3,961.81
3/1/2022	6,316		6,316	1,395.81	7,711.81
6/1/2022	6,316		6,316	1,395.81	7,711.81
9/1/2022	6,316		6,316	1,395.81	7,711.81
12/1/2022	6,316		6,316	1,395.81	7,711.81
3/1/2023	6,555		6,555	1,395.81	7,950.81
6/1/2023	6,555		6,555	1,395.81	7,950.81
9/1/2023	6,555		6,555	1,395.81	7,950.81
12/1/2023	6,555		6,555	1,395.81	7,950.81

Bond Debt Service

Greater Marion PSD

CW SRF

0% Interest Rate, 0.5% Administrative fee

40 Years from Closing Date

Period Ending	Principal	Interest	Debt Service	Administrative	Debt Service inc Adm fee
3/1/2024	6,916		6,916	1,395.81	8,311.81
6/1/2024	6,916		6,916	1,395.81	8,311.81
9/1/2024	6,916		6,916	1,395.81	8,311.81
12/1/2024	6,916		6,916	1,395.81	8,311.81
3/1/2025	6,916		6,916	1,395.81	8,311.81
6/1/2025	6,916		6,916	1,395.81	8,311.81
9/1/2025	6,916		6,916	1,395.81	8,311.81
12/1/2025	6,916		6,916	1,395.81	8,311.81
3/1/2026	6,916		6,916	1,395.81	8,311.81
6/1/2026	6,916		6,916	1,395.81	8,311.81
9/1/2026	6,916		6,916	1,395.81	8,311.81
12/1/2026	6,916		6,916	1,395.81	8,311.81
3/1/2027	6,916		6,916	1,395.81	8,311.81
6/1/2027	6,916		6,916	1,395.81	8,311.81
9/1/2027	6,916		6,916	1,395.81	8,311.81
12/1/2027	6,916		6,916	1,395.81	8,311.81
3/1/2028	6,916		6,916	1,395.81	8,311.81
6/1/2028	6,916		6,916	1,395.81	8,311.81
9/1/2028	6,916		6,916	1,395.81	8,311.81
12/1/2028	6,916		6,916	1,395.81	8,311.81
3/1/2029	6,916		6,916	1,395.81	8,311.81
6/1/2029	6,916		6,916	1,395.81	8,311.81
9/1/2029	6,916		6,916	1,395.81	8,311.81
12/1/2029	6,916		6,916	1,395.81	8,311.81
3/1/2030	6,916		6,916	1,395.81	8,311.81
6/1/2030	6,916		6,916	1,395.81	8,311.81
9/1/2030	6,916		6,916	1,395.81	8,311.81
12/1/2030	6,916		6,916	1,395.81	8,311.81
3/1/2031	6,916		6,916	1,395.81	8,311.81
6/1/2031	6,916		6,916	1,395.81	8,311.81
9/1/2031	6,916		6,916	1,395.81	8,311.81
12/1/2031	6,916		6,916	1,395.81	8,311.81
3/1/2032	9,436		9,436	1,395.81	10,831.81
6/1/2032	9,436		9,436	1,395.81	10,831.81
9/1/2032	9,436		9,436	1,395.81	10,831.81
12/1/2032	9,436		9,436	1,395.81	10,831.81
3/1/2033	10,250		10,250	1,395.81	11,645.81
6/1/2033	10,250		10,250	1,395.81	11,645.81
9/1/2033	10,250		10,250	1,395.81	11,645.81
12/1/2033	10,250		10,250	1,395.81	11,645.81

Bond Debt Service

Greater Marion PSD

CW SRF

0% Interest Rate, 0.5% Administrative fee

40 Years from Closing Date

Period Ending	Principal	Interest	Debt Service	Administrative Fee	Debt Service inc Adm fee
3/1/2034	10,250		10,250	1,395.81	11,645.81
6/1/2034	10,250		10,250	1,395.81	11,645.81
9/1/2034	10,250		10,250	1,395.81	11,645.81
12/1/2034	10,250		10,250	1,395.81	11,645.81
3/1/2035	10,250		10,250	1,395.81	11,645.81
6/1/2035	10,250		10,250	1,395.81	11,645.81
9/1/2035	10,250		10,250	1,395.81	11,645.81
12/1/2035	10,250		10,250	1,395.81	11,645.81
3/1/2036	10,250		10,250	1,395.81	11,645.81
6/1/2036	10,250		10,250	1,395.81	11,645.81
9/1/2036	10,250		10,250	1,395.81	11,645.81
12/1/2036	10,250		10,250	1,395.81	11,645.81
3/1/2037	10,250		10,250	1,395.81	11,645.81
6/1/2037	10,250		10,250	1,395.81	11,645.81
9/1/2037	10,250		10,250	1,395.81	11,645.81
12/1/2037	10,250		10,250	1,395.81	11,645.81
3/1/2038	10,250		10,250	1,395.81	11,645.81
6/1/2038	10,250		10,250	1,395.81	11,645.81
9/1/2038	10,250		10,250	1,395.81	11,645.81
12/1/2038	10,250		10,250	1,395.81	11,645.81
3/1/2039	10,250		10,250	1,395.81	11,645.81
6/1/2039	10,250		10,250	1,395.81	11,645.81
9/1/2039	10,250		10,250	1,395.81	11,645.81
12/1/2039	10,250		10,250	1,395.81	11,645.81
3/1/2040	21,217		21,217	1,395.81	22,612.81
6/1/2040	21,217		21,217	1,395.81	22,612.81
9/1/2040	21,217		21,217	1,395.81	22,612.81
12/1/2040	21,217		21,217	1,395.81	22,612.81
3/1/2041	21,217		21,217	1,395.81	22,612.81
6/1/2041	21,217		21,217	1,395.81	22,612.81
9/1/2041	21,217		21,217	1,395.81	22,612.81
12/1/2041	21,217		21,217	1,395.81	22,612.81
3/1/2042	21,217		21,217	1,395.81	22,612.81
6/1/2042	21,217		21,217	1,395.81	22,612.81
9/1/2042	21,217		21,217	1,395.81	22,612.81
12/1/2042	21,217		21,217	1,395.81	22,612.81
3/1/2043	21,217		21,217	1,395.81	22,612.81
6/1/2043	21,217		21,217	1,395.81	22,612.81
9/1/2043	21,217		21,217	1,395.81	22,612.81
12/1/2043	21,217		21,217	1,395.81	22,612.81

Bond Debt Service

Greater Marion PSD

SRF

0% Interest Rate

0.5% Adinistrative Fee

40 Years from Closing Date

Period Ending	Principal	Interest	Debt Service	Administrative Fee	Debt Service inc Adm fee
3/1/2044	21,217		21,217	1,395.81	22,612.81
6/1/2044	21,217		21,217	1,395.81	22,612.81
9/1/2044	21,217		21,217	1,395.81	22,612.81
12/1/2044	21,217		21,217	1,395.81	22,612.81
3/1/2045	21,217		21,217	1,395.81	22,612.81
6/1/2045	21,217		21,217	1,395.81	22,612.81
9/1/2045	21,217		21,217	1,395.81	22,612.81
12/1/2045	21,217		21,217	1,395.81	22,612.81
3/1/2046	21,217		21,217	1,395.81	22,612.81
6/1/2046	21,217		21,217	1,395.81	22,612.81
9/1/2046	21,217		21,217	1,395.81	22,612.81
12/1/2046	21,217		21,217	1,395.81	22,612.81
3/1/2047	21,217		21,217	1,395.81	22,612.81
6/1/2047	21,217		21,217	1,395.81	22,612.81
9/1/2047	21,217		21,217	1,395.81	22,612.81
12/1/2047	21,217		21,217	1,395.81	22,612.81
3/1/2048	21,217		21,217	1,395.81	22,612.81
6/1/2048	21,217		21,217	1,395.81	22,612.81
9/1/2048	21,217		21,217	1,395.81	22,612.81
12/1/2048	21,217		21,217	1,395.81	22,612.81
3/1/2049	21,217		21,217	1,395.81	22,612.81
6/1/2049	21,217		21,217	1,395.81	22,612.81
9/1/2049	21,217		21,217	1,395.81	22,612.81
12/1/2049	21,217		21,217	1,395.81	22,612.81
3/1/2050	21,217		21,217	1,395.81	22,612.81
6/1/2050	21,217		21,217	1,395.81	22,612.81
9/1/2050	21,217		21,217	1,395.81	22,612.81
12/1/2050	21,217		21,217	1,395.81	22,612.81
3/1/2051	21,217		21,217	1,395.81	22,612.81
6/1/2051	21,217		21,217	1,395.81	22,612.81
9/1/2051	21,217		21,217	1,395.81	22,612.81
12/1/2051	21,217		21,217	1,395.81	22,612.81
3/1/2052	661		661	1,395.81	2,056.81
6/1/2052	661		661	1,395.81	2,056.81
9/1/2052	661		661	1,395.81	2,056.81
12/1/2052	661		661	1,395.81	2,056.81
	1,663,080				1,663,080.00

The Quarterly administrative fee of $1,395.81 results in a total Administrative expense of $214,954.74 over the life of the loan

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20___.

_____

In the presence of:

_____

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER MARION PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2013 B
(WEST VIRGINIA SRF PROGRAM)

No. BR-1

$1,997,679

KNOW ALL MEN BY THESE PRESENTS: The 1st day of February, 2013, that GREATER MARION PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Marion 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 WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of ONE MILLION NINE HUNDRED NINETY-SEVEN THOUSAND SIX HUNDRED SEVENTY-NINE DOLLARS ($1,997,679), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously forgiven, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference. The Series 2013 B Bonds are not subject to the SRF Administrative Fee (as defined in the hereinafter described Bond Legislation).

This Bond shall bear no interest. The principal amounts advanced under the Series 2013 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2013 B Bonds shall be deemed no longer outstanding after the last advance is forgiven.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated February 1, 2013.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of improvements and extensions to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds (the "Bonds") and related costs. The existing public sewerage system of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on January 19, 2013, and a Supplemental Resolution duly adopted by the Issuer on January 19, 2013 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation 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 Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S: (I) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $400,000 (THE "SERIES 1999 A BONDS"); (II) SEWER REVENUE BONDS, SERIES 1999 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,700,000 (THE "SERIES 1999 B BONDS"); (III) SEWER REVENUE BONDS, SERIES 2000 (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 11, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $400,000 (THE "SERIES 2000 BONDS"), (COLLECTIVELY, THE "PRIOR BONDS"); AND (IV) SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED FEBRUARY 1, 2013, ISSUED SIMULTANEOUSLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,663,080 (THE "SERIES 2013 A BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) 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 Series 2013 A Bonds and the Prior Bonds and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, 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 constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, 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 junior to the Bonds, including the Series 2013 A Bonds and the Prior Bonds, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, including the Series 2013 A Bonds and the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of The Huntington National Bank, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision 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.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, 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 at 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 the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

All provisions of the Bond Legislation, resolutions and 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, GREATER MARION PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

Chairman

ATTEST:

Secretary

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2013 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: February 1, 2013.

THE HUNTINGTON NATIONAL BANK,
as Registrar

SPECIMEN

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $84,528	02/01/2013	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20___.

_____

In the presence of:

_____

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

Chase Tower, Eighth Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.steptoe-johnson.com

Writer's Contact Information

February 1, 2013

Greater Marion Public Service District
Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program)

Greater Marion Public Service District
Carolina, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by Greater Marion Public Service District (the "Issuer"), a public service district, public corporation and political subdivision created and existing under the laws of the State of West Virginia, of its $1,663,080 Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a Bond Purchase Agreement dated February 1, 2013, including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, bearing no interest, with principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2014, to and including December 1, 2052 all as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Bonds. The SRF Administrative Fee of 0.5% shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year commencing September 1, 2014 as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Bonds.

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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of improvements and extensions to the existing public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Resolution duly adopted by the Issuer on January 19, 2013, as supplemented by a Supplemental Resolution duly adopted by the Issuer on January 19, 2013 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Bond Purchase Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Bond Purchase Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Bond Purchase Agreement when used herein.

Based upon the foregoing, and upon our examination of such other documents as we have deemed necessary, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly created and validly existing public service district, public corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

2. The Bond Purchase Agreement has been duly authorized by and executed on behalf of the Issuer, is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof, and inures to the benefit of the Authority and the DEP and cannot be amended by the Issuer so as to affect adversely the rights of the Authority or the DEP or diminish the obligations of the Issuer without the written consent of the Authority and the DEP.

3. The Bond Legislation and all other necessary orders and resolutions have been duly and effectively adopted by the Issuer and constitute valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms. The Bond Legislation contains provisions and covenants substantially in the form of those set forth in Section 4.1 and Exhibit E of the Bond Purchase Agreement.

The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Bond Legislation and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's: (i) Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), dated June 23, 1999, issued in the original aggregate principal amount of $400,000 (the "Series 1999 A Bonds"); (ii) Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund), dated June 23, 1999, issued in the original aggregate principal amount of $1,700,000 (the "Series 1999 B Bonds"); and (iii) Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), dated December 11, 2000, issued in the original aggregate principal amount of $400,000 (the "Series 2000 Bonds"), (collectively, the "Prior Bonds"); and (iv) Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), dated February 1, 2013, issued concurrently herewith in the original aggregate principal amount of $1,997,679 (the "Series 2013 B Bonds"); all in accordance with the terms of the Bonds and the Bond Legislation.

4. The Bonds are, under the Act, exempt from taxation by the State of West Virginia and the other taxing bodies of the State, and the interest on the Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

5. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from the gross income of the owners thereof for federal income tax purposes. We express no opinion regarding the excludability of such interest from the gross income of the owners thereof for federal income tax purposes or other federal tax consequences arising with respect to the Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds, the Bond Purchase Agreement and the Bond Legislation, and the liens and pledges set forth therein, may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion and the application of equitable remedies in appropriate cases.

We have examined the executed and authenticated Bond numbered AR-1, and in our opinion the form of said Bond and its execution and authentication are regular and proper.

Very truly yours,

STEPTOE & JOHNSON PLLC

439080.00002

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

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Writer's Contact Information

February 1, 2013

Greater Marion Public Service District
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

Greater Marion Public Service District
Carolina, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by Greater Marion Public Service District (the "Issuer"), a public service district, public corporation and political subdivision created and existing under the laws of the State of West Virginia, of its $1,997,679 Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a Bond Purchase Agreement dated February 1, 2013, including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, bearing no interest, with principal amounts advanced under the Series 2013 B Bonds deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2013 B Bonds shall be deemed no longer outstanding after the last advance is forgiven. The Series 2013 B Bonds are not subject to the SRF Administrative Fee.

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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of improvements and extensions to the existing public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Resolution duly adopted by the Issuer on January 19, 2013, as supplemented by a Supplemental Resolution duly adopted by the Issuer on January 19, 2013 (collectively, the "Bond Legislation"), pursuant to and under which Act

and Bond Legislation the Bonds are authorized and issued, and the Bond Purchase Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Bond Purchase Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Bond Purchase Agreement when used herein.

Based upon the foregoing, and upon our examination of such other documents as we have deemed necessary, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly created and validly existing public service district, public corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

2. The Bond Purchase Agreement has been duly authorized by and executed on behalf of the Issuer, is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof, and inures to the benefit of the Authority and the DEP and cannot be amended by the Issuer so as to affect adversely the rights of the Authority or the DEP or diminish the obligations of the Issuer without the written consent of the Authority and the DEP.

3. The Bond Legislation and all other necessary orders and resolutions have been duly and effectively adopted by the Issuer and constitute valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms. The Bond Legislation contains provisions and covenants substantially in the form of those set forth in Section 4.1 and Exhibit E of the Bond Purchase Agreement.

The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Bond Legislation and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's: (i) Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), dated June 23, 1999, issued in the original aggregate principal amount of $400,000 (the "Series 1999 A Bonds"); (ii) Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund), dated June 23, 1999, issued in the original aggregate principal amount of $1,700,000 (the "Series 1999 B Bonds"); and (iii) Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), dated December 11, 2000, issued in the original aggregate principal amount of $400,000 (the "Series 2000 Bonds"), (collectively, the "Prior Bonds"); and (iv) Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), dated February 1, 2013, issued concurrently herewith in the original aggregate principal amount of $1,663,080 (the "Series 2013 A Bonds"); all in accordance with the terms of the Bonds and the Bond Legislation.

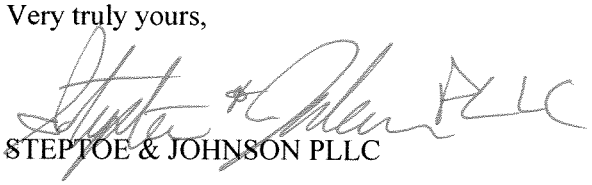
4. The Bonds are, under the Act, exempt from taxation by the State of West Virginia and the other taxing bodies of the State, and the interest on the Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

5. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from the gross income of the owners thereof for federal income tax purposes. We express no opinion regarding the excludability of such interest from the gross income of the owners thereof for federal income tax purposes or other federal tax consequences arising with respect to the Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds, the Bond Purchase Agreement and the Bond Legislation, and the liens and pledges set forth therein, may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion and the application of equitable remedies in appropriate cases.

We have examined the executed and authenticated Bond numbered BR-1, and in our opinion the form of said Bond and its execution and authentication are regular and proper.

Very truly yours,



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February 1, 2013

James V. Kelsh
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Greater Marion Public Service District
Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

Greater Marion Public Service District
Carolina, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

We are counsel to Greater Marion Public Service District, a public service district, in Marion County, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinions of Steptoe & Johnson PLLC, as bond counsel, a Bond Purchase Agreement for the Series 2013 A Bonds and Series 2013 B Bonds dated February 1, 2013, including all schedules and exhibits attached thereto, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection ("DEP") (the "Bond Purchase Agreement"), the Bond Resolution duly adopted by the Issuer on January 19, 2013, as supplemented by the Supplemental Resolution duly adopted by the Issuer on January 19, 2013 (collectively, the "Bond Legislation"), orders of The County Commission of Marion County relating to the Issuer and the appointment of members of the Public Service Board of the Issuer, and other documents, papers, agreements, instruments and certificates relating to the above-captioned Bonds of the Issuer (collectively, the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Bond Purchase Agreement when used herein.

We are of the opinion that:

1. The Issuer is duly created and validly existing as a public service district and as a public corporation and political subdivision of the State of West Virginia.

2. The Bond Purchase Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, constitute valid and binding agreements of the Issuer enforceable in accordance with their terms.

3. The members and officers of the Public Service Board of the Issuer have been duly, lawfully and properly appointed and elected, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

4. The Bond Legislation has been duly adopted by the Issuer and is in full force and effect.

5. The execution and delivery of the Bonds and the Bond Purchase Agreement and the consummation of the transactions contemplated by the Bonds, the Bond Purchase Agreement and the Bond Legislation and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any ordinance, order, resolution, agreement or other instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, court order or consent decree to which the Issuer is subject.

6. To the best of our knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Bond Purchase Agreement, the Bond Legislation, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds or the collection or pledge of the Net Revenues therefor.

7. The Issuer has received all orders, certificates and authorizations from the Public Service Commission of West Virginia necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the implementation of rates and charges, and the Issuer has taken any other action required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges. The Issuer has received a Recommended Decision dated September 17, 2012, which was stamped Final on October 7, 2012 in Case No. 12-0571-PSD-CN of the Public Service Commission of West Virginia (the "PSC"), among other things, granting to the Issuer a certificate of public convenience and necessity for the Project, approving rates for the System and approving the financing for the Project. An affidavit of certified public accountant dated January 16, 2013 has

been filed at the PSC as required by such Order. The time for appeal of such Order has expired prior to the date hereof.

8. We have ascertained that all successful bidders have provided the drug-free workplace affidavit, submitted their drug free workplace plan, and the contracts contains language that complies with the Drug Free Workplace Act, Article 1D, Chapter 21 of the West Virginia Code. Prior to construction we will ascertain, based upon review of the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project, are (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Issuer; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Bond Legislation and the Bond Purchase Agreement; and (5) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

All counsel to this transaction may rely upon this opinion as if specifically addressed to them.

Very truly yours,

BOWLES RICE LLP

Hallinan Law Offices, PLLC

January 28, 2013

West Virginia Infrastructure and Jobs Development Council
180 Association Drive
Charleston, West Virginia 25311

West Virginia Department of Environmental Protection
Division of Water and Waste Management
State Revolving Fund
601 57th Street
Charleston, West Virginia 25304

Re: Final Title Opinion for Greater Marion Public Service District, Carolina and Ida May Sewer System Project

Ladies and Gentlemen:

I am counsel to the Greater Marion Public Service District (the "District") in connection with a proposed project to construct certain sewer system facilities to be located in Marion County (the "Project") which shall be owned by the District. I provide this final title opinion on behalf of the District to satisfy the requirements of the West Virginia Infrastructure and Jobs Development Council and the West Virginia Department of Environmental Protection for the Project. Please be advised of the following:

1. The District is a duly created and validly existing public service district possessed with all the power and authority granted to public service districts under the laws of the State of West Virginia to construct, operate and maintain the Project as approved by the West Virginia Bureau for Public Health.

2. The District has obtained all necessary permits and approvals for the construction of the Project.

3. I have investigated and ascertained the location of, and I am familiar with the legal description of the necessary sites, including easements and/or rights of way, required for the

Project as set forth in the plans for the Project prepared by Rummel, Klepper & Kahl. LLP. the consulting engineers for the Project.

4. I have examined the records on file in the Office of the Clerk of the County Commission of Marion County, West Virginia, the county in which the Project is to be located, and in my opinion, the District has acquired legal title or such other estate or interest in all of the necessary site components for the Project, including all easements and/or rights of way.

5. All deeds, easements and rights of way which have been acquired to date by the District have been duly recorded in the Office of the Clerk of the County Commission of Marion County to protect the legal title to and interest of the Issuer.

Yours truly,

Jacqueline Hallinan

Jacqueline A. Hallinan (#5189)

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. BOND PURCHASE AGREEMENT
11. INSURANCE
12. VERIFICATION OF SCHEDULE
13. RATES
14. PUBLIC SERVICE COMMISSION ORDER
15. SIGNATURES AND DELIVERY
16. BOND PROCEEDS
17. PUBLICATION OF NOTICE OF PSC FILING
18. SPECIMEN BONDS
19. CONFLICT OF INTEREST
20. GRANTS
21. CLEAN WATER ACT
22. PROCUREMENT OF ENGINEERING SERVICES
23. EXECUTION OF COUNTERPARTS

We, the undersigned CHAIRMAN and the undersigned SECRETARY of the Public Service Board of Greater Marion Public Service District in Marion County, West Virginia (the "Issuer"), and the undersigned COUNSEL TO THE ISSUER, hereby certify this 1at day of February, 2013 in connection with the Issuer's Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program) and Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), each dated the date hereof (collectively, the "Series 2013 Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond Resolution of the Issuer

duly adopted January 19, 2013, and the Supplemental Resolution duly adopted January 19, 2013 (collectively, the "Bond Legislation").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Series 2013 Bonds, the acquisition or construction of the Project, the operation of the System, the receipt of Grant proceeds or the Net Revenues, or in any way contesting or affecting the validity of the Series 2013 Bonds or the Grants, or any proceedings of the Issuer taken with respect to the issuance or sale of the Series 2013 Bonds, the pledge or application of the Net Revenues or any other moneys or security provided for the payment of the Series 2013 Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Series 2013 Bonds, the acquisition and construction of the Project, the operation of the System, the pledge or application of moneys and security or the collection of the Gross Revenues or the pledge of the Net Revenues as security for the Series 2013 Bonds.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable and necessary approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Series 2013 Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the West Virginia Code of 1931, as amended, which bids remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval, execution and delivery by the Issuer of the Bond Purchase Agreement, and the Issuer has met all conditions prescribed in the Bond Purchase Agreement. The Issuer has or can provide the financial, institutional, legal and managerial capabilities necessary to complete the Project.

There are outstanding obligations of the Issuer which will rank on a parity with the Series 2013 Bonds as to liens, pledge and source of and security for payment, being the Issuer's: (i) Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), dated June 23, 1999, issued in the original aggregate principal amount of $400,000 (the "Series 1999 A Bonds"); (ii) Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund), dated June 23, 1999, issued in the original aggregate principal amount of $1,700,000 (the "Series 1999 B Bonds"); and (iii) Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), dated December 11, 2000, issued in the original aggregate principal amount of $400,000 (the "Series 2000 Bonds"), (collectively, the "Prior Bonds").

The Issuer has obtained (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met; and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2013 Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all the covenants of the Prior Bonds and the Prior Resolutions.

5. CERTIFICATION OF COPIES OF DOCUMENTS: The copies of the below-listed documents hereto attached or delivered herewith or heretofore delivered are true, correct and complete copies of the originals of the documents of which they purport to be copies, and such original documents are in full force and effect and have not been repealed, rescinded, amended, supplemented or changed in any way unless modification appears from later documents also listed below:

Bond Resolution

Supplemental Resolution

Bond Purchase Agreement

Public Service Commission Orders

Infrastructure and Jobs Development Council Approval

County Commission Orders Creating the District and Public Service Commission Order relating thereto

County Commission Orders Appointing Current Boardmembers

Oaths of Office of Current Boardmembers

Rules of Procedure

Minutes of Current Year Organizational Meeting

Minutes on Adoption of Bond Resolution and Supplemental Resolution

NPDES Permit

Department of Environmental Protection Approval of Plans and Specifications

Prior Resolutions

Evidence of Insurance

Consent of Water Development Authority

Evidence of Grants

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Greater Marion Public Service District." The Issuer is a public service district and public corporation duly created by The County Commission of Marion County and presently existing under the laws of, and a public corporation and political subdivision of, the State of West Virginia. The governing body of the

Issuer is its Public Service Board consisting of 3 duly appointed, qualified and acting members whose names and dates of commencement and termination of current terms of office are as follows:

Name	Date of Commencement of Office	Date of Termination of Office
Vickie Dodd	08/10/2011	08/10/2017
Adam Reeves	04/20/2010	04/01/2016
Angel Tennant	12/07/2010	12/01/2016

The names of the duly elected and/or appointed, qualified and acting officers of the Public Service Board of the Issuer for the calendar year 2013 are as follows:

Chairperson - Vickie Dodd
Secretary/Treasurer - Angel Tennant

The duly appointed and acting counsel to the Issuer is Bowles Rice LLP, Charleston, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition and construction of the Project and the operation and maintenance of the System have been acquired or can and will be acquired by purchase, or, if necessary, by condemnation by the Issuer and are adequate for such purposes and are not or will not be subject to any liens, encumbrances, reservations or exceptions which would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties which may have to be acquired by condemnation, are, in the opinion of all the undersigned, within the ability of the Issuer to pay for the same without jeopardizing the security of or payments on the Series 2013 Bonds.

8. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the issuance of the Series 2013 Bonds and the acquisition, construction, operation and financing of the Project and the System were authorized or adopted at regular or special meetings of the Governing Body of the Issuer duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes, including, particularly and without limitation, Chapter 6, Article 9A of the West Virginia Code of 1931, as amended, and a quorum of duly elected or appointed, as applicable, qualified and acting members of the Governing Body was present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

9. CONTRACTORS' INSURANCE, ETC.: All contractors have been required to maintain Worker's Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Bond Legislation. The successful bidders have provided the Drug-Free Workplace Affidavit as evidence of compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code. All insurance for the System required by the Bond Legislation and Bond Purchase Agreement is in full force and effect.

10. BOND PURCHASE AGREEMENT: As of the date hereof, (i) the representations of the Issuer contained in the respective Bond Purchase Agreement are true and correct in all material respects as if made on the date hereof; (ii) the Bond Purchase Agreement does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (iii) to the best knowledge of the undersigned, no event affecting the Issuer has occurred since the dates of the Bond Purchase Agreement which should be disclosed for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information in the Bond Purchase Agreement not misleading; and (iv) the Issuer is in compliance with all covenants, terms and representations in the Bond Purchase Agreement.

The Issuer will serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer will not reduce the amount of additional customers served by the project without the prior written approval of the Board of the Water Development Authority. Following completion of the Project the Issuer will certify to the Authority the number of customers added to the System.

11. INSURANCE. The Issuer will maintain or, as appropriate, will require all contractors to maintain worker's compensation, public liability, property damage insurance, standard hazard insurance, builder's risk insurance, flood insurance and business interruption insurance, where applicable, in accordance with the Bond Legislation and the Bond Purchase Agreement. All insurance for the System required by the Bond Legislation and the Bond Purchase Agreement are in full force and effect.

12. VERIFICATION OF SCHEDULE: The final Schedule B attached to the Certificate of Consulting Engineer, accurately represents the estimated costs of the Project, the sources of funds available to pay the costs of the Project and the costs of financing of the Series 2013 Bonds.

13. RATES: The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia dated September 17, 2012 which was stamped Final on October 7, 2012 in Case No. 12-0571-PSD -CN, approving the rates and charges for the services of the System. The Issuer has adopted a resolution prescribing such rates and charges. The rates will be effective when the Project is substantially complete.

14. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia (the "PSC") dated September 17, 2012 which was stamped Final on October 7, 2012 in Case No. 12-0571-PSD -CN, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project, approving the rates and charges for the System and the financing for the Project. The time for appeal of the Order has expired prior to the date hereof. An affidavit of the certified public accountant dated January 16, 2013 has been filed at the PSC pursuant to the Order.

15. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Chairman did officially sign all of the Series 2013 Bonds of the aforesaid issue, consisting upon original issuance of a single Bond for each series, numbered AR-1 and BR-1, respectively, both dated the date hereof, by his or her manual signature, and the undersigned Secretary did officially cause the official seal of the Issuer to be affixed upon said Series 2013 Bonds and to be attested by his or her manual signature,

and the Registrar did officially authenticate and deliver the Series 2013 Bonds to a representative of the Authority as the original purchaser of the Series 2013 Bonds under the Bond Purchase Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

16. BOND PROCEEDS: (A) On the date hereof, the Issuer received $406,968 from the Authority and the DEP, being a portion of the principal amount of the Series 2013 A Bonds; and (B) on the date hereof, the Issuer received $84,528 from the Authority and the DEP, being a portion of the principal amount of the Series 2013 B Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

17. PUBLICATION OF NOTICE OF PSC FILING: The Issuer has published any required notice with respect to, among other things, the acquisition and construction of the Project, anticipated user rates and charges, and the filing of a formal application for a certificate of public convenience and necessity with the Public Service Commission of West Virginia, in accordance with Chapter 16, Article 13A, Section 25 of the Official West Virginia Code of 1931, as amended.

18. SPECIMEN BONDS: Delivered concurrently herewith are true and accurate specimens of the Series 2013 Bonds.

19. CONFLICT OF INTEREST: No officer or employee of the Issuer has a substantial financial interest, direct, indirect or by reason of ownership of stock in any corporation, in any contract with the Issuer or in the sale of any land, materials, supplies or services to the Issuer or to any contractor supplying the Issuer, relating to the Series 2013 Bonds, the Bond Legislation and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

20. GRANTS: On the date hereof, the grant from the Infrastructure & Jobs Development Council in the amount of $1,025,000 and the Appalachian Regional Commission grant in the amount of $ 1,250,000 are in full force and effect.

21. CLEAN WATER ACT: The Project as described in the Bond Resolution complies with Sections 208 and 303(e) of the Clean Water Act.

22. PROCUREMENT OF ENGINEERING SERVICES: The Issuer has complied in all respects with the requirements of Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended, in the procurement of engineering services to be paid from proceeds of the Series 2013 Bonds.

23. EXECUTION OF COUNTERPARTS: This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same document.

WITNESS our signatures and the official seal of GREATER MARION PUBLIC SERVICE DISTRICT on the day and year first written above.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
_____	Chairman
_____	Secretary
_____	Counsel to Issuer

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GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

ENGINEER'S CERTIFICATE

I, David Vanscoy, Registered Professional Engineer, West Virginia License No. 6649, of Rummel, Klepper & Kahl, LLP, Keyser, West Virginia, hereby certify this 1st day of February, 2013 as follows:

1. My firm is engineer for the acquisition and construction of certain improvements and extensions (the "Project") to the existing public sewerage system (the "System") of Greater Marion Public Service District (the "Issuer"), to be constructed primarily in Marion County, West Virginia, which acquisition and construction are being financed by the proceeds of the above-captioned bonds (collectively, the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Resolution, duly adopted by the Issuer on January 19, 2013, as supplemented by the Supplemental Resolution duly adopted by the Issuer on January 19, 2013, the Bond Purchase Agreement for the Series 2013 Bonds, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), dated February 1, 2013 (the "Bond Purchase Agreement").

2. The Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying costs of issuance and related costs.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and the Authority and any change orders approved by the Issuer, the DEP and the Authority and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 40 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A and in reliance upon the opinion of Issuer's counsel, Bowles Rice McDavid Graff & Love LLP, of even date herewith, all successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the DEP and the Authority and the bid forms provided to the bidders contain the critical operational components of the Project; (vi) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; (vii) the successful bids include prices for every item on such bid forms; (viii) the uniform bid procedures were followed; (ix) the Issuer has obtained all permits

required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and the operation of the System; (x) the net proceeds of the Bonds, together with all other monies on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP and the Authority; and (xi) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Cost of Financing" for the Project.

4. The Project will serve no new customers.

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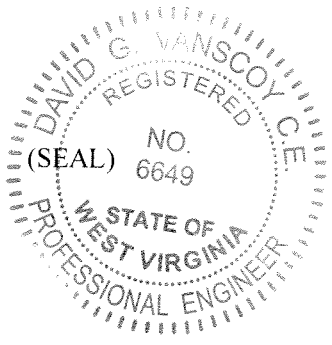
WITNESS my signature and seal on the day and year first written above.



(SEAL)

RUMMEL, KLEPPER & KAHL, LLP

David Vanscoy, P.E.
West Virginia License No. 6649

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SCHEDULE B--TOTAL PROJECT

1/17/2013

GREATER MARION PUBLIC SERVICE DISTRICT

SEWER PROJECT - IJDC #2012S-1320, DEP CWSRF C-544251-03

A. Cost of Project	Total	SRF 2013 A	SRF 2013 B (Forgivable)	ARC Grant	IJDC Grant
1. Construction					
a. Contract 1	1,403,375	438,724	964,651	0	0
b. Contract 2	2,265,931	332,245	300,000	1,250,000	383,686
c. Contract 3	949,000	100,500	648,500	0	200,000
2. Technical Services [RK&K]					
a. Planning & Design Engineering	470,250	333,671	71,028	0	65,551
b. Special Services	44,290	44,290	0	0	0
c. Inspection	243,000	243,000	0	0	0
d. Special AMP	10,000	10,000	0	0	0
e. Basic	137,000	137,000	0	0	0
3. Legal & Fiscal & Adm					
a. Legal -Project/PSC [Kelsh]	41,200	0	0	0	41,200
b. Accounting [Bennett & Dobbins]	22,500	0	0	0	22,500
c. Project Cooridnator [Region 6]	70,000	0	0	0	70,000
4. Sites and Other Lands					
a. Sites and Lands	17,221	0	0	0	17,221
b. Legal [Title]	12,000	0	0	0	12,000
5. Miscellaneous					
a. Permits [DOH]	10,650	10,650	0	0	0
b. Miscellaneous	0	0	0	0	0
6. Construction Contingency 4.6%	212,842	0	0	0	212,842
7. Total of Lines 1 through 6	5,909,259	1,650,080	1,984,179	1,250,000	1,025,000
B. Cost of Financing					
8 Bond Counsel	26,000	13,000	13,000	0	0
9 Registrar	500	0	500	0	0
10 Reserves	0	0	0	0	0
11 Total Cost of Financing	26,500	13,000	13,500	0	0
12 Total Project Cost (line 7 plus line 11)	5,935,759	1,663,080	1,997,679	1,250,000	1,025,000
C. Sources of Funds					
13 Federal Grants ARC	1,250,000	0	0	1,250,000	0
14 State Grants IJDC Grant	1,025,000	0	0	0	1,025,000
15 Other Grants	0	0	0	0	0
16 Total Grants	2,275,000	0	0	1,250,000	1,025,000
17. Size of Bond Issue	3,660,759	1,663,080	1,997,679	0	0

Greater Marion Public Service District

1/19/13
Date

RK&K Engineers

1/19/13
Date

Bennett & Dobbins PLLC
CERTIFIED PUBLIC ACCOUNTANTS

317 Cleveland Avenue
Fairmont, WV 26554-1604
Telephone: (304) 366-4295 Fax: (304) 366-4311

GARY K. BENNETT, MBA-CPA
ZACHARY D. DOBBINS, CPA

February 1, 2013

Greater Marion Public Service District
Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

Greater Marion Public Service District
Carolina, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Based upon the sewer rates and charges set forth in the Recommended Decision dated September 17, 2012 which became Final Order on October 7, 2012 in Case No. 12-0571-PSD-CN of the Public Service Commission of West Virginia, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by Greater Marion Public Service District (the "Issuer"), it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the sewerage system (the "System") of the Issuer, will (i) provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) leave a balance each Fiscal Year equal to at least 115% of the maximum amount required in any Fiscal Year for payment of principal of and interest on the (a) Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), dated February 1, 2013, issued in the aggregate principal amount of $1,663,080, and (b) Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), dated February 1, 2013, issued in the aggregate principal amount of $1,997,679, (collectively, the "Series 2013 Bonds") and all other obligations secured by or payable from such revenues, including the Issuer's: (i) Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), dated June 23, 1999, issued in the original aggregate principal amount of $400,000 (the "Series 1999 A Bonds"); (ii) Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund), dated June 23, 1999, issued in the original aggregate principal amount of $1,700,000 (the "Series 1999 B Bonds"); and (iii) Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), dated December 11, 2000, issued in the original aggregate principal amount of $400,000 (the "Series 2000 Bonds"), (collectively, the "Prior Bonds").

It is further our opinion that the Net Revenues actually derived from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of the Series 2012 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 the Series 2013 Bonds are not less than 115% of the largest aggregate amount that will mature and become due in any succeeding fiscal year for the principal of and interest, if any, on the Prior Bonds and the Series 2013 Bonds.

Sincerely,

Bennett & Dobbins PLLC

BENNETT & DOBBINS PLLC

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Chairman of the Public Service Board of Greater Marion Public Service District in Marion County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of $1,663,080 Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), and $1,997,679 Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), of the Issuer, both dated February 1, 2013 (collectively, the "Series 2013 Bonds"), hereby certify this 1st day of February, 2013 as follows:

1. I am one of the officers of the Issuer duly charged with the responsibility of issuing the Series 2013 Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Resolution duly adopted by the Issuer on January 19, 2013 as supplemented by Supplemental Resolution duly adopted by the Issuer on January 19, 2013 (collectively, the "Bond Resolution"), authorizing the Series 2013 Bonds.

2. This certificate may be relied upon as the certificate of the Issuer.

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on February 1, 2013, the date on which the Series 2013 Bonds are being physically delivered in exchange for an initial advance of $406,968, being a portion of the principal amount of the Series 2013 A Bonds and $84,528, being a portion of the principal amount of the Series 2013 B Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

4. In the Bond Resolution pursuant to which the Series 2013 Bonds are issued, the Issuer has covenanted that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2013 Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (collectively, the "Code"), issued by the West Virginia Water Development Authority (the "Authority") or the West Virginia Department of Environmental Protection (the "DEP"), as the case may be, from which the proceeds of the Series 2013 Bonds are derived, to lose their status as tax-exempt bonds. The Issuer hereby covenants to take all actions necessary to comply with such covenant.

5. The Series 2013 A Bonds were sold on February 1, 2013, to the Authority, pursuant to a Bond Purchase Agreement dated February 1, 2013, by and among the Issuer, the Authority and the DEP, for an aggregate purchase price of $1,663,080 (100% of par), at which time, the Issuer received $406,968 from the Authority and the DEP, being the first advance of the principal amount of the

Series 2013 A Bonds. No accrued interest has been or will be paid on the Series 2013 A Bonds. The balance of the principal amount of the Series 2013 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2013 B Bonds were sold on February 1, 2013, to the Authority, pursuant to a Bond Purchase Agreement dated February 1, 2013, by and among the Issuer, the Authority and the DEP, for an aggregate purchase price of $1,997,679 (100% of par), at which time, the Issuer received $84,528 from the Authority and the DEP, being the first advance of the principal amount of the Series 2013 B Bonds. No accrued interest has been or will be paid on the Series 2013 B Bonds. The balance of the principal amount of the Series 2013 B Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

7. The Series 2013 A Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of improvements and extensions to the existing public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

8. The Series 2013 B Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying certain costs of issuance and related costs.

9. Within 30 days after the delivery of the Series 2013 Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Series 2013 Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Series 2013 Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds deposited in the Series 2013 A Bonds Reserve Account, if any, all of the proceeds from the sale of the Series 2013 Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before June 1, 2014. The acquisition and construction of the Project is expected to be completed by December 1, 2013.

10. The total cost of the Project is estimated at $5,935,759. Sources and uses of funds for the Project are as follows:

SOURCES	
Proceeds of the Series 2013 A Bonds	$1,663,080
Proceeds of the Series 2013 B Bonds	$1,997,679
Proceeds of an Infrastructure Fund Grant	$1,025,000
Proceeds of an Appalachian Regional	$1,250,000
Total Sources	$5,935,759
USES	
Costs of Acquisition and Construction of the Project	$5,909,259
Costs of Issuance	$26,500
Total Uses	$5,935,759

11. Pursuant to Article V of the Bond Resolution, the following special funds or accounts have been created or continued relative to the Series 2013 Bonds:

(1) Revenue Fund (established by Prior Resolution);

(2) Renewal and Replacement Fund (established by Prior Resolution);

(3) Series 2013 Bonds Construction Trust Fund;

(4) Series 2013 A Bonds Sinking Fund; and

(5) Series 2013 A Bonds Reserve Account.

12. Pursuant to Article VI of the Bond Resolution, the proceeds of the Series 2013 Bonds will be deposited as follows:

(1) Series 2013 A Bond proceeds in the amount of $-0- will be deposited in the Series 2013 A Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Series 2013 A Bonds during acquisition and construction of the Project and for a period not to exceed six months following completion thereof.

(2) Series 2013 A Bonds proceeds in the amount of $-0- will be deposited in the Series 2013 A Bonds Reserve Account.

(3) The balance of the proceeds of the Series 2013 A Bonds will be deposited in the Series 2013 Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Series 2013 A Bonds and related costs.

(4) The proceeds of the Series 2013 B Bonds will be deposited in the Series 2013 Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Series 2013 B Bonds and related costs.

13. Monies held in the Series 2013 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Series 2013 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on monies in the Series 2013 A Bonds Sinking Fund and Series 2013 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2013 Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Resolution.

14. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The acquisition and construction of the Project is expected to be completed within ten (10) months of the date hereof.

15. The Issuer will take such steps as requested by the Authority to ensure that the Authority's bonds meet the requirements of the Code.

16. With the exception of the amount deposited in the Series 2013 A Bonds Sinking Fund for payment of interest, if any, on the Series 2013 A Bonds and the amount deposited in the Series 2013 A Bonds Reserve Account, if any, all of the proceeds of the Series 2013 A Bonds will be expended on the Project within sixteen (16) months from the date of issuance thereof.

17. The proceeds of the Series 2013 B Bonds will be expended on the Project within sixteen (16) months from the date of issuance thereof.

18. The Issuer does not expect to sell or otherwise dispose of the Project in whole or in part prior to the last maturity date of the Series 2013 Bonds.

19. The amount designated as costs of issuance of the Series 2013 Bonds consists only of costs which are directly related to and necessary for the issuance of the Series 2013 Bonds.

20. All property financed with the proceeds of the Series 2013 Bonds will be owned and held by (or on behalf of) a qualified governmental unit.

21. No proceeds of the Series 2013 Bonds will be used, directly or indirectly, in any trade or business carried on by any person who is not a governmental unit.

22. The original proceeds of the Series 2013 Bonds will not exceed the amount necessary for the purposes of the issue.

23. The Issuer shall use the Bond proceeds solely for the costs of the Project, and the Project will be operated solely for a public purpose as a local governmental activity of the Issuer.

24. The Series 2013 Bonds are not federally guaranteed.

25. The Issuer has retained the right to amend the Bond Resolution authorizing the issuance of the Series 2013 Bonds if such amendment is necessary to assure that the Series 2013 Bonds remain public purpose bonds.

26. The Issuer has either (a) funded the Series 2013 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due on the Series 2013 A Bonds in the then current or any succeeding year with the proceeds of the Series 2013 A Bonds, or (b) created the Series 2013 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2013 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest, if any, which will mature and become due on the Series 2013 A Bonds in the then current or any succeeding year. Monies in the Series 2013 A Bonds Reserve Account and the Series 2013 A Bonds Sinking Fund will be used solely to pay principal of and interest on each the Series 2013 A Bonds and will not be available to pay costs of the Project.

27. There are no other obligations of the Issuer which (a) are to be issued at substantially the same time as the Series 2013 Bonds, (b) are to be sold pursuant to a common plan of financing together with the Series 2013 Bonds and (c) will be paid out of substantially the same sources of funds of funds or will have substantially the same claim to be paid out of substantially the same sources of funds as the Series 2013 Bonds.

28. To the best of my knowledge, information and belief, there are no other facts, estimates and circumstances which would materially change the expectations herein expressed.

29. The Issuer will comply with instructions as may be provided by the Authority, at any time, regarding use and investment of proceeds of the Series 2013 Bonds, rebates and rebate calculations.

30. To the best of my knowledge, information and belief, the foregoing expectations are reasonable.

[Remainder of Page Intentionally Blank]

WITNESS my signature on the day and year first written above.

GREATER MARION PUBLIC SERVICE DISTRICT

By: _____

Its: Chairman

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IN THE COUNTY COMMISSION OF MARION COUNTY, WEST VIRGINIA

IN RE: Order Fixing a Date for Hearing on the Creation of the Idamay Public Service District

On the 25th day of February, 1983, at a regular session of the Commission, came James O. Watkins, Jr., attorney at law, representing a group of legal voters and real property owners residing in that territory or area bounded and described as follows:

TRACT NO. 1: All that certain tract, piece or parcel of land, situate, lying and being in Lincoln District, bounded and described as follows:

BEGINNING at a stump at a corner of land now or formerly of Eli Nestor and of land now or formerly of E. L. Morgan, said stump being also the northwesterly corner of land which was conveyed by Michael Bock to said The Consolidation Coal Company by deed dated April 12, 1915, and recorded in said Office in Deed Book No. 203, Page 266, and which is a part of this Tract No. 1; thence, along the line of said land now or formerly of E. L. Morgan, the following five (5) courses and distances: (1) N. 76° 52' E. 638.86 feet; (2) N. 48° 14' E. 259.52 feet; (3) N. 43° 44' E. 275.55 feet; (4) N. 29° 12' E. 177.91 feet; and (5) N. 30° 36' E. 197.41 feet; thence S. 58° 17' E. 153.34 feet; thence N. 10° 58' E. 306.92 feet to a stone at a corner of land now or formerly of C. L. Smith; thence, along the line of said last mentioned land, the following two (2) courses and distances (1) N. 70° 24' E. 279.61 feet and (2) N. 64° 00' E. 312.89 feet; thence S. 20° 38' E. 15.88 feet; thence N. 67° 35' E. 259 feet; thence N. 11° 50' E. 40.68 feet to the line of said land now or formerly of C. L. Smith; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 64° 00' E. 506.99 feet; (2) N. 71° 45' E. 541.73 feet to a white oak tree; and (3) S. 39° 45' E. 442.12 feet to a post at a corner of land now or formerly of Jerome Hall; thence, along the line of said last mentioned land, S. 56° 43' E. 331.53 feet to a post; thence, partly along the line of said land now or formerly of Jerome Hall and partly along the line of land now or formerly of Rufus Downs, S. 66° 55' E. 1,264.30 feet to a white

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oak stump; thence, along the line of said land now or formerly of Rufus Downs, S. 00° 40' E. 443.28 feet to a corner of land now or formerly of Robert Downs; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) S. 44° 26' W. 847.44 feet to a stone and (2) S. 63° 25' W. 527.70feet to a stone at a corner of land now or formerly of Ulysses S. Downs; thence, along the line of said last mentioned land, the following five (5) courses and distances: (1) S. 43° 39' W. 279.93 feet to a white oak tree; (2) S. 69° 27' W. 475.20 feet to a chestnut oak stump; (3) S. 26° 35' W. 305.98 feet to a chestnut oak stump; (4) S. 00° 02' W. 469.93 feet; and (5) S. 44° 17' W. 563.60 feet to a stone at a corner of land now or formerly of Enoch M. Snider; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) S. 43° 40' W. 1,635.14 feet and (2) S. 15° 04' W. 297.89 feet to a point, such point being also the point or place of beginning hereinafter specified in the description of Tract No. 2 of this subdivision B; thence along the line of said Tract No. 2, the following two (2) courses and distances: (1) N. 77° 30' W. 222.05 feet and (2) S. 12° 30' W. 1,238.64 feet; thence N. 39° 36' W. 8.25 feet; thence N. 70° 32' W. 110.93 feet; thence N. 63° 06' W. 127.73 feet; thence N. 75° 54' W. 47.34 feet; thence N. 65° 24' W. 433.91 feet; thence N. 3° 01' E. 405.11 feet; thence N. 70° 19' W. 34.47 feet to a white oak tree stump in the line of land now or formerly of T. F. Morgan; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 1° 32' W. 1,038.21 feet to a stone; (2) N. 33° 10' W. 159.25 feet to a stone; and (3) N. 6° 57' W. 344.19 feet to a post at a corner of other land now or formerly of T. F. Morgan; thence, along the line of said other land now or formerly of T. F. Morgan, the following four (4) courses and distances: (1) N. 6° 01' E. 319.07 feet to a stone; (2) N. 4° 15' W. 246.51 feet to a black walnut tree; (3) N. 41° 13' W. 230.26 feet to a stone; and (4) N. 3° 26' W. 385.08 feet to a corner of land now or formerly of Robert T. Jones; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 19° 03' W. 98.04 feet; (2) N. 23° 27' W. 367.10 feet; and (3) N. 39° 16' W. 761.70 feet to a corner of said land now or formerly of Eli Nestor; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) N. 75° 07' E. 556.45 feet to a chestnut oak tree stump and (2) N. 50° 04' E. 212 feet to the point or place of beginning, containing 359 acres, more or less.

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TRACT NO. 2: All that certain tract, piece or parcel of land, situate, lying and being in Lincoln District, bounded and described as follows:

BEGINNING at a point in the line of land now or formerly of Enoch M. Snider at the end of the course described as "S. 15° 04' W. 297.89 feet" in the description of Tract No. 1 of this Subdivision B; thence, along the line of said land now or formerly of Enoch M. Snider, S. 15° 04' W. 1,331.43 feet to the line of land now or formerly of C. W. Davis; thence, along the line of said last mentioned land, N. 67° 09' W. 102.83 feet; thence N. 42° 58' E. 20 feet; thence N. 39° 36' W. 90.74 feet to a corner of said Tract No. 1; thence, along the line of said Tract No. 1, the following two (2) courses and distances: (1) N. 12° 30' E. 1,238.64 feet and (2) S. 77° 30' E. 222.05 feet to the point or place of beginning, containing 5.75 acres, more or less.

A plat or map of said Tracts No. 1 and 2 is recorded in the Office of the Clerk of the County Commission of Marion County, West Virginia, in Deed Book No. 390, Page 335.

Said Tracts No. 1 and 2 include 186 lots of ground situate in the unincorporated Village of Idamay, as shown on that certain plat or map recorded in said Clerk's Office in Deed Book No. 532, Pages 5 and 7, and 8 single family residences in said Village, as shown on that certain plat or map recorded in said Clerk's Office in Deed Book No. 596, Page 427, and presented a petition signed by 71 residents of the above-described area and moved the Commission to fix a date for hearing on the creation of a Public Service District to serve the residents of said area.

Upon consideration whereof, the Commission is of the opinion that a hearing should be held and it is accordingly ADJUDGED, ORDERED and DECREED that a hearing be held to consider the creation of the proposed Public Service District on the

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5th day of April, 1983, at 10:30 o'clock A. M., in the Hearing Room of the County Commission of Marion County.

It is further ORDERED that the Clerk of this Commission cause to be published as a Class I legal advertisement and posted a Notice as provided by West Virginia Code, Chapter 16, Article 13A, Section 2, as amended, fixing the date of said hearing. Publication of said Notice is to be made at least ten (10) days prior to the hearing and is to be in Marion County, West Virginia. Additionally, the Notice shall be posted in at least five (5) conspicuous places in the proposed district at least ten (10) days prior to the hearing. Said Notices shall be substantially as follows:

"NOTICE OF PUBLIC HEARING ON
THE ESTABLISHMENT OF THE
IDAMAY PUBLIC SERVICE DISTRICT

Notice is hereby given that a legally sufficient Petition has been filed with the Clerk of the County Commission of Marion County, West Virginia, and has been presented to the County Commission of Marion County asking for the creation of a Public Service District within Marion County, West Virginia, for the purpose of constructing or acquiring by purchase or otherwise in the maintenance, operation, improvement and extension of public service properties supplying water and sewage services within said district and also outside said district to the extent permitted by law; to be named "Idamay Public Service District", and having the following described boundaries:

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TRACT NO. 1: All that certain tract, piece or parcel of land, situate, lying and being in Lincoln District, bounded and described as follows:

BEGINNING at a stump at a corner of land now or formerly of Eli Nestor and of land now or formerly of E. L. Morgan, said stump being also the northwesterly corner of land which was conveyed by Michael Bock to said The Consolidation Coal Company by deed dated April 12, 1915, and recorded in said Office in Deed Book No. 203, Page 266, and which is a part of this Tract No. 1; thence, along the line of said land now or formerly of E. L. Morgan, the following five (5) courses and distances: (1) N. 76° 52' E. 638.86 feet; (2) N. 48° 14' E. 259.52 feet; (3) N. 43° 44' E. 275.55 feet; (4) N. 29° 12' E. 177.91 feet; and (5) N. 30° 36' E. 197.41 feet; thence S. 58° 17' E. 153.34 feet; thence N. 10° 58' E. 306.92 feet to a stone at a corner of land now or formerly of C. L. Smith; thence, along the line of said last mentioned land, the following two (2) courses and distances (1) N. 70° 24' E. 279.61 feet and (2) N. 64° 00' E. 312.89 feet; thence S. 20° 38' E. 15.88 feet; thence N.67° 35' E. 259 feet; thence N. 11° 50' E. 40.68 feet to the line of said land now or formerly of C. L. Smith; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 64° 00' E. 506.99 feet; (2) N. 71° 45' E. 541.73 feet to a white oak tree; and (3) S. 39° 45' E. 442.12 feet to a post at a corner of land now or formerly of Jerome Hall; thence, along the line of said last mentioned land, S. 56° 43' E. 331.53 feet to a post; thence, partly along the line of said land now or formerly of Jerome Hall and partly along the line of land now or formerly of Rufus Downs, S. 66° 55' E. 1,264.30 feet to a white oak stump; thence, along the line of said land now or formerly of Rufus Downs, S. 00° 40' E. 443.28 feet to a corner of land now or formerly of Robert Downs; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) S. 44° 26' W. 847.44 feet to a stone and (2) S. 63° 25' W. 527.70 feet to a stone at a corner of land now or formerly of Ulysses S. Downs; thence, along the line of said last mentioned land, the following five (5) courses and distances: (1) S. 43° 39' W. 279.93 feet to a white oak tree; (2) S. 69° 27' W. 475.20 feet to a chestnut oak stump; (3) S. 26° 35' W. 305.98 feet to a chestnut oak stump; (4) S. 00° 02' W. 469.93 feet; and (5) S. 44° 17' W. 563.60 feet to a stone at a corner of land now or formerly of Enoch M. Snider; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) S. 43° 40' W. 1,635.14 feet and

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(2) S. 15° 04' W. 297.89 feet to a point, such point being also the point or place of beginning hereinafter specified in the description of Tract No. 2 of this subdivision B; thence along the line of said Tract No. 2, the following two (2) courses and distances: (1) N. 77° 30' W. 222.05 feet and (2) S. 12° 30' W. 1,238.64 feet; thence N. 39° 36' W. 8.25 feet; thence N. 70° 32' W. 110.93 feet; thence N. 63° 06' W. 127.73 feet; thence N. 75° 54' W. 47.34 feet; thence N. 65° 24' W. 433.91 feet; thence N. 3° 01' E. 405.11 feet; thence N. 70° 19' W. 34.47 feet to a white oak tree stump in the line of land now or formerly of T. F. Morgan; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 1° 32' W. 1,038.21 feet to a stone; (2) N. 33° 10' W. 159.25 feet to a stone; and (3) N. 6° 57' W. 344.19 feet to a post at a corner of other land now or formerly of T. F. Morgan; thence, along the line of said other land now or formerly of T. F. Morgan, the following four (4) courses and distances: (1) N. 6° 01' E. 319.07 feet to a stone; (2) N. 4° 15' W. 246.51 feet to a black walnut tree; (3) N. 41° 13' W. 230.26 feet to a stone; and (4) N. 3° 26' W. 385.08 feet to a corner of land now or formerly of Robert T. Jones; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 19° 03' W. 98.04 feet; (2) N. 23° 27' W. 367.10 feet; and (3) N. 39° 16' W. 761.70 feet to a corner of said land now or formerly of Eli Nestor; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) N. 75° 07' E. 556.45 feet to a chestnut oak tree stump and (2) N. 50° 04' E. 212 feet to the point or place of beginning, containing 359 acres, more or less.

TRACT NO. 2: All that certain tract, piece or parcel of land, situate, lying and being in Lincoln District, bounded and described as follows:

BEGINNING at a point in the line of land now or formerly of Enoch M. Snider at the end of the course described as "S. 15° 04' W. 297.89 feet" in the description of Tract No. 1 of this Subdivision B; thence, along the line of said land now or formerly of Enoch M. Snider, S. 15° 04' W. 1,331.43 feet to the line of land now or formerly of C. W. Davis; thence, along the line of said last mentioned land, N. 67° 09' W. 102.83 feet; thence N. 42° 58' E. 20 feet; thence N. 39° 36' W. 90.74 feet to a corner of said Tract No. 1; thence, along the line of said Tract No. 1, the following two (2) courses and distances: (1) N. 12° 30' E. 1,238.64 feet and (2) S. 77° 30' E. 222.05 feet to the point or place of beginning, containing 5.75 acres, more or less.

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A plat or map of said Tracts No. 1 and 2 is recorded in the Office of the Clerk of the County Commission of Marion County, West Virginia, in Deed Book No. 390, Page 335.

Said Tracts No. 1 and 2 include 186 lots of ground situate in the unincorporated Village of Idamay, as shown on that certain plat or map recorded in said Clerk's Office in Deed Book No. 532, Pages 5 and 7, and 8 single family residences in said Village, as shown on that certain plat or map recorded in said Clerk's Office in Deed Book No. 596, Page 427.

All persons residing in or owning or having any interest in property in said proposed Public Service District are hereby notified that the County Commission of Marion County will conduct a public hearing on the 5th day of April, 1983, at 10:30, A. M., at the Courthouse, Marion County, West Virginia, at which time and place all interested persons may appear before the County Commission and shall have an opportunity to be heard for or against the creation of the proposed Public Service District."

Enter this 25th day of February, 1983.

Raymond Prunty

Betty Gill

COUNTY COMMISSIONERS OF MARION COUNTY, WEST VIRGINIA

ES O. WATKINS, JR.
ATTORNEY AT LAW
P. O. BOX 1108
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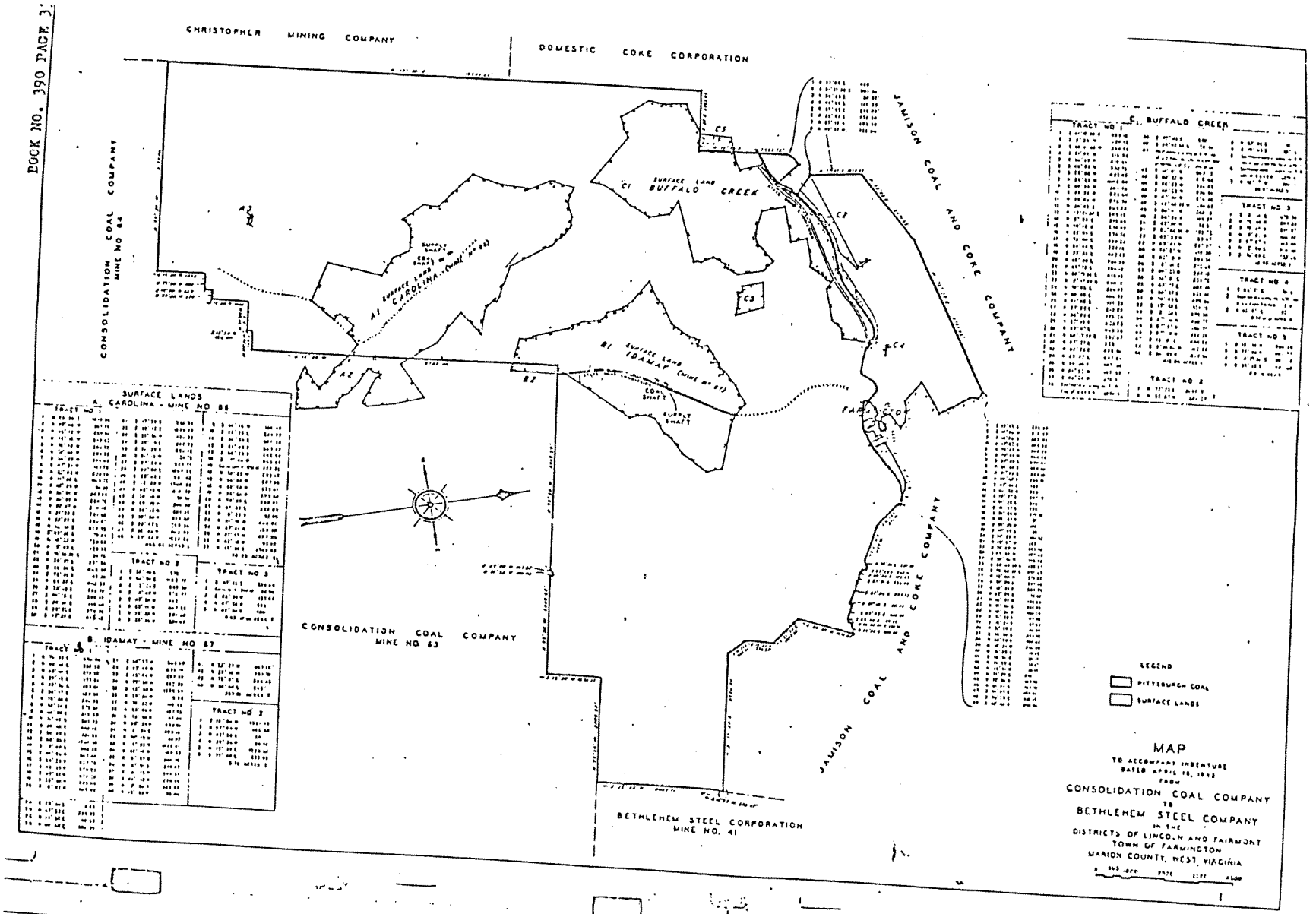
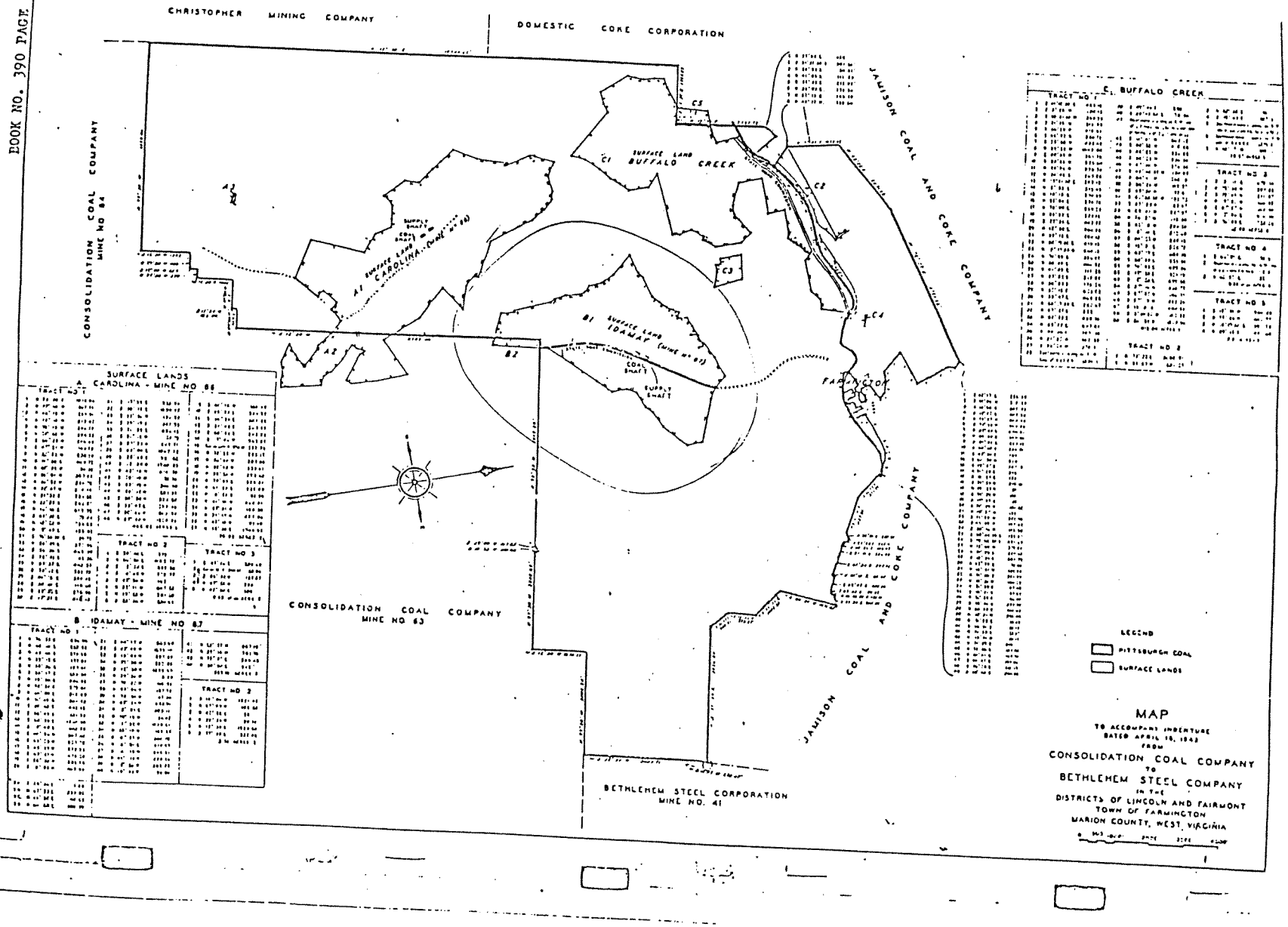
BOOK NO. 390 PAGE 3



BOOK NO. 390 PAGE 3



RESOLUTION AND ORDER OF THE COUNTY COMMISSION OF MARION COUNTY, WEST VIRGINIA, UPON ITS MOTION AND HEARING, FOR THE CREATION OF A PUBLIC SERVICE DISTRICT TO BE KNOWN AS THE IDAMAY PUBLIC SERVICE DISTRICT

WHEREAS, a petition for the creation of a public service district for the provision of water and sewage services was, on the 25th day of February, 1983, presented to this Commission seeking that a public service district be created pursuant to the authority of Article 13A of Chapter 16 of the West Virginia Code, to be situate in Marion County, West Virginia, and to be known as the Idamay Public Service District; and

WHEREAS, the petition for the creation of said district defined the purpose and authority of said district as being "to construct or acquire by purchase or otherwise and maintain, operate, improve and extend property supplying water and sewage services within such District, and outside such territory to the extent permitted by law";

WHEREAS, this Commission, upon its own motion, has determined that it deems it necessary, feasible and proper to create said district, the territory of which is bounded and described as follows:

> TRACT NO. 1: All that certain tract, piece or parcel of land, situate, lying and being in Lincoln District, bounded and described as follows:
>
> BEGINNING at a stump at a corner of land now or formerly of Eli Nestor and of land now or formerly of E. L. Morgan, said stump being also the northwesterly corner of land which was conveyed by Michael Bock to said The Consolidation Coal Company by deed dated April 12, 1915, and recorded in said Office in Deed Book No. 203, Page 266, and which is a part of this Tract No. 1; thence, along the line of said land now or formerly of E. L. Morgan, the following five (5) courses and distances: (1) N. 76° 52' E. 638.86 feet; (2) N. 48° 14' E. 259.52 feet; (3) N. 43° 44' E. 275.55 feet; (4) N. 29° 12' E. 177.91 feet; and (5) N. 30° 36' E. 197.41 feet; thence S. 58° 17' E. 153.34 feet; thence N. 10° 58' E. 306.92 feet to a stone at a corner of land now

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or formerly of C. L. Smith; thence, along the line of said last mentioned land, the following two (2) courses and distances (1) N. 70° 24' E. 279.61 feet and (2) N. 64° 00' E. 312.89 feet; thence S. 20° 38' E. 15.88 feet; thence N. 67° 35' E. 259 feet; thence N. 11° 50' E. 40.68 feet to the line of said land now or formerly of C. L. Smith; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 64° 00' E. 506.99 feet; (2) N. 71° 45' E. 541.73 feet to a white oak tree; and (3) S. 39° 45' E. 442.12 feet to a post at a corner of land now or formerly of Jerome Hall; thence, along the line of said last mentioned land, S. 56° 43' E. 331.53 feet to a post; thence, partly along the line of said land now or formerly of Jerome Hall and partly along the line of land now or formerly of Rufus Downs, S. 66° 55' E. 1,264.30 feet to a white oak stump; thence, along the line of said land now or formerly of Rufus Downs, S. 00° 40' E. 443.28 feet to a corner of land now or formerly of Robert Downs; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) S. 44° 26' W. 847.44 feet to a stone and (2) S. 63° 25' W. 527.70 feet to a stone at a corner of land now or formerly of Ulysses S. Downs; thence, along the line of said last mentioned land, the following five (5) courses and distances: (1) S. 43° 39' W. 279.93 feet to a white oak tree; (2) S. 69° 27' W. 475.20 feet to a chestnut oak stump; (3) S. 26° 35' W. 305.98 feet to a chestnut oak stump; (4) S. 00° 02' W. 469.93 feet; and (5) S. 44° 17' W. 563.60 feet to a stone at a corner of land now or formerly of Enoch M. Snider; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) S. 43° 40' W. 1,635.14 feet and (2) S. 15° 04' W. 297.89 feet to a point, such point being also the point or place of beginning hereinafter specified in the description of Tract No. 2 of this subdivision B; thence along the line of said Tract No. 2, the following two (2) courses and distances: (1) N. 77° 30' W. 222.05 feet and (2) S. 12° 30' W. 1,238.64 feet; thence N. 39° 36' W. 8.25 feet; thence N. 70° 32' W. 110.93 feet; thence N. 63° 06' W. 127.73 feet; thence N. 75° 54' W. 47.34 feet; thence N. 65° 24' W. 433.91 feet; thence N. 3° 01' E. 405.11 feet; thence N. 70° 19' W. 34.47 feet to a white oak tree stump in the line of land now or formerly of T. F. Morgan; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 1° 32' W. 1,038.21 feet to a stone; (2) N. 33° 10' W. 159.25 feet to a stone; and (3) N. 6° 57' W. 344.19 feet to a post at a corner of other land now or formerly of T. F. Morgan; thence, along the line of said other land now or formerly of T. F. Morgan, the

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following four (4) courses and distances: (1) N. 6° 01' E. 319.07 feet to a stone; (2) N. 4° 15' W. 246.51 feet to a black walnut tree; (3) N. 41° 13' W. 230.26 feet to a stone; and (4) N. 3° 26' W. 385.08 feet to a corner of land now or formerly of Robert T. Jones; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 19° 03' W. 98.04 feet; (2) N. 23° 27' W. 367.10 feet; and (3) N. 39° 16' W. 761.70 feet to a corner of said land now or formerly of Eli Nestor; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) N. 75° 07' E. 556.45 feet to a chestnut oak tree stump and (2) N. 50° 04' E. 212 feet to the point or place of beginning, containing 359 acres, more or less.

TRACT NO. 2: All that certain tract, piece or parcel of land, situate, lying and being in Lincoln District, bounded and described as follows:

BEGINNING at a point in the line of land now or formerly of Enoch M. Snider at the end of the course described as "S. 15° 04' W. 297.89 feet" in the description of Tract No. 1 of this Subdivision B; thence, along the line of said land now or formerly of Enoch M. Snider, S. 15° 04' W. 1,331.43 feet to the line of land now or formerly of C. W. Davis; thence, along the line of said last mentioned land, N. 67° 09' W. 102.83 feet; thence N. 42° 58' E. 20 feet; thence N. 39° 36' W. 90.74 feet to a corner of said Tract No. 1; thence, along the line of said Tract No. 1, the following two (2) courses and distances: (1) N. 12° 30' E. 1,238.64 feet and (2) S. 77° 30' E. 222.05 feet to the point or place of beginning, containing 5.75 acres, more or less.

A plat or map of said Tracts No. 1 and 2 is recorded in the Office of the Clerk of the County Commission of Marion County, West Virginia, in Deed Book No. 390, Page 335.

Said Tracts No. 1 and 2 include 186 lots of ground situate in the unincorporated Village of Idamay, as shown on that certain plat or map recorded in said Clerk's Office in Deed Book No. 532, Pages 5 and 7, and 8 single family residences in said Village, as shown on that certain plat or map recorded in said Clerk's Office in Deed Book No. 596, Page 427.

WHEREAS, on the 5th day of April, 1983, not more than forty (40) days nor less than twenty (20) days from this Comm-

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ission's said motion, at the hour of 10:30 a.m., this Commission met in the County Courthouse at Fairmont, Marion County, West Virginia, for the purpose of conducting a public hearing on the question of the creation of said district, at which time and place all persons residing in or having an interest in property in said district could have appeared before this County Commission and had an opportunity to be heard for or against the proposed creation and no persons appeared against the proposed creation.

WHEREAS, the Clerk of the County Commission of this County was authorized and directed to, and did so cause notice of such hearing in substantially the form set forth below to be published in the Times-West Virginian, a newspaper of general circulation published in Marion County, West Virginia, at least ten (10) days prior to such hearing. Notice of said hearing was published as a Class I legal advertisement and was substantially as follows:

"NOTICE OF PUBLIC HEARING ON
THE ESTABLISHMENT OF THE
IDAMAY PUBLIC SERVICE DISTRICT

Notice is hereby given that a legally sufficient Petition has been filed with the Clerk of the County Commission of Marion County, West Virginia, and has been presented to the County Commission of Marion County asking for the creation of a Public Service District within Marion County, West Virginia, for the purpose of constructing or acquiring by purchase or otherwise in the maintenance, operation, improvement and extension of public service properties supplying water and sewage services within said district and also outside said district to the extent permitted by law; to be named "Idamay Public Service District", and having the following described boundaries:

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TRACT NO. 1: All that certain tract, piece or parcel of land, situate, lying and being in Lincoln District, bounded and described as follows:

BEGINNING at a stump at a corner of land now or formerly of Eli Nestor and of land now or formerly of E. L. Morgan, said stump being also the northwesterly corner of land which was conveyed by Michael Bock to said The Consolidation Coal Company by deed dated April 12, 1915, and recorded in said Office in Deed Book No. 203, Page 266, and which is a part of this Tract No. 1; thence, along the line of said land now or formerly of E. L. Morgan, the following five (5) courses and distances: (1) N. 76° 52' E. 638.86 feet; (2) N. 48° 14' E. 259.52 feet; (3) N. 43° 44' E. 275.55 feet; (4) N. 29° 12' E. 177.91 feet; and (5) N. 30° 36' E. 197.41 feet; thence S. 58° 17' E. 153.34 feet; thence N. 10° 58' E. 306.92 feet to a stone at a corner of land now or formerly of C. L. Smith; thence, along the line of said last mentioned land, the following two (2) courses and distances (1) N. 70° 24' E. 279.61 feet and (2) N. 64° 00' E. 312.89 feet; thence S. 20° 38' E. 15.88 feet; thence N. 67° 35' E. 259 feet; thence N. 11° 50' E. 40.68 feet to the line of said land now or formerly of C. L. Smith; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 64° 00' E. 506.99 feet; (2) N. 71° 45' E. 541.73 feet to a white oak tree; and (3) S. 39° 45' E. 442.12 feet to a post at a corner of land now or formerly of Jerome Hall; thence, along the line of said last mentioned land, S. 56° 43' E. 331.53 feet to a post; thence, partly along the line of said land now or formerly of Jerome Hall and partly along the line of land now or formerly of Rufus Downs, S. 66° 55' E. 1,264.30 feet to a white oak stump; thence, along the line of said land now or formerly of Rufus Downs, S. 00° 40' E. 443.28 feet to a corner of land now or formerly of Robert Downs; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) S. 44° 26' W. 847.44 feet to a stone and (2) S. 63° 25' W. 527.70 feet to a stone at a corner of land now or formerly of Ulysses S. Downs; thence, along the line of said last mentioned land, the following five (5) courses and distances: (1) S. 43° 39' W. 279.93 feet to a white oak tree; (2) S. 69° 27' W. 475.20 feet to a chestnut oak stump; (3) S. 26° 35' W. 305.98 feet to a chestnut oak stump; (4) S. 00° 02' W. 469.93 feet; and (5) S. 44° 17' W. 563.60 feet to a stone at a corner of land now or formerly of Enoch M. Snider; thence, along the line of said last mentioned land, the following two (2) courses

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and distances: (1) S. 43° 40' W. 1,635.14 feet and (2) S. 15° 04' W. 297.89 feet to a point, such point being also the point or place of beginning hereinafter specified in the description of Tract No. 2 of this subdivision B; thence along the line of said Tract No. 2, the following two (2) courses and distances: (1) N. 77° 30' W. 222.05 feet and (2) S. 12° 30' W. 1,238.64 feet; thence N. 39° 36' W. 8.25 feet; thence N. 70° 32' W. 110.93 feet; thence N. 63° 06' W. 127.73 feet; thence N. 75° 54' W. 47.34 feet; thence N. 65° 24' W. 433.91 feet; thence N. 3° 01' E. 405.11 feet; thence N. 70° 19' W. 34.47 feet to a white oak tree stump in the line of land now or formerly of T. F. Morgan; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 1° 32' W. 1,038.21 feet to a stone; (2) N. 33° 10' W. 159.25 feet to a stone; and (3) N. 6° 57' W. 344.19 feet to a post at a corner of other land now or formerly of T. F. Morgan; thence, along the line of said other land now or formerly of T. F. Morgan, the following four (4) courses and distances: (1) N. 6° 01' E. 319.07 feet to a stone; (2) N. 4° 15' W. 246.51 feet to a black walnut tree; (3) N. 41° 13' W. 230.26 feet to a stone; and (4) N. 3° 26' W. 385.08 feet to a corner of land now or formerly of Robert T. Jones; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 19° 03' W. 98.04 feet; (2) N. 23° 27' W. 367.10 feet; and (3) N. 39° 16' W. 761.70 feet to a corner of said land now or formerly of Eli Nestor; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) N. 75° 07' E. 556.45 feet to a chestnut oak tree stump and (2) N. 50° 04' E. 212 feet to the point or place of beginning, containing 359 acres, more or less.

TRACT NO. 2: All that certain tract, piece or parcel of land, situate, lying and being in Lincoln District, bounded and described as follows:

BEGINNING at a point in the line of land now or formerly of Enoch M. Snider at the end of the course described as "S. 15° 04' W. 297.89 feet" in the description of Tract No. 1 of this Subdivision B; thence, along the line of said land now or formerly of Enoch M. Snider, S. 15° 04' W. 1,331.43 feet to the line of land now or formerly of C. W. Davis; thence, along the line of said last mentioned land, N. 67° 09' W. 102.83 feet; thence N. 42° 58' E. 20 feet; thence N. 39° 36' W. 90.74 feet to a corner of said Tract No. 1; thence, along the line of said Tract No. 1, the following two (2) courses and distances: (1) N. 12° 30' E. 1,238.64 feet and (2) S. 77° 30' E. 222.05 feet to the point or place of beginning, containing 5.75 acres, more or less.

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A plat or map of said Tracts No. 1 and 2 is recorded in the Office of the Clerk of the County Commission of Marion County, West Virginia, in Deed Book No. 390, Page 335.

Said Tracts No. 1 and 2 include 186 lots of ground situate in the unincorporated Village of Idamay, as shown on that certain plat or map recorded in said Clerk's Office in Deed Book No. 532, Pages 5 and 7, and 8 single family residences in said Village, as shown on that certain plat or map recorded in said Clerk's Office in Deed Book No. 596, Page 427.

All persons residing in or owning or having any interest in property in said proposed Public Service District are hereby notified that the County Commission of Marion County will conduct a public hearing on the 5th day of April, 1983, at 10:30 a.m., at the Courthouse, Marion County, West Virginia, at which time and place any interested persons may appear before the County Commission and shall have an opportunity to be heard for or against the creation of the proposed Public Service District."

WHEREAS, the Clerk of the County Commission of Marion County was directed to and did post or cause to be posted the notice hereinabove set forth in at least five (5) conspicious places within the boundaries in the proposed Public Service District hereinabove set forth. Said notices were posted at least ten (10) days prior to said hearing.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE COUNTY COMMISSION OF MARION COUNTY, WEST VIRGINIA, ALL COMMISSIONERS CONCURRING, UPON ITS OWN MOTION AND PUBLIC HEARING AS FOLLOWS

Section 1 - That it is necessary, feasible and proper that a Public Service District to be known as the Idamay Public

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Service District, be created pursuant to Article 13A of Chapter 16 of the West Virginia Code and that said district be authorized to construct, or acquire by purchase or otherwise, and maintain, operate, improve and extend properties for supplying both water and sewage services in the following described territory and outside such territory to the extent permitted by law:

TRACT NO. 1: All that certain tract, piece or parcel of land, situate, lying and being in Lincoln District, bounded and described as follows:

BEGINNING at a stump at a corner of land now or formerly of Eli Nestor and of land now or formerly of E. L. Morgan, said stump being also the northwesterly corner of land which was conveyed by Michael Bock to said The Consolidation Coal Company by deed dated April 12, 1915, and recorded in said Office in Deed Book No. 203, Page 266, and which is a part of this Tract No. 1; thence, along the line of said land now or formerly of E. L. Morgan, the following five (5) courses and distances: (1) N. 76° 52' E. 638.86 feet; (2) N. 48° 14' E. 259.52 feet; (3) N. 43° 44' E. 275.55 feet; (4) N. 29° 12' E. 177.91 feet; and (5) N. 30° 36' E. 197.41 feet; thence S. 58° 17' E. 153.34 feet; thence N. 10° 58' E. 306.92 feet to a stone at a corner of land now or formerly of C. L. Smith; thence, along the line of said last mentioned land, the following two (2) courses and distances (1) N. 70° 24' E. 279.61 feet and (2) N. 64° 00' E. 312.89 feet; thence S. 20° 38' E. 15.88 feet; thence N. 67° 35' E. 259 feet; thence N. 11° 50' E. 40.68 feet to the line of said land now or formerly of C. L. Smith; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 64° 00' E. 506.99 feet; (2) N. 71° 45' E. 541.73 feet to a white oak tree; and (3) S. 39° 45' E. 442.12 feet to a post at a corner of land now or formerly of Jerome Hall; thence, along the line of said last mentioned land, S. 56° 43' E. 331.53 feet to a post; thence, partly along the line of said land now or formerly of Jerome Hall and partly along the line of land now or formerly of Rufus Downs, S. 66° 55' E. 1,264.30 feet to a white oak stump; thence, along the line of said land now or formerly of Rufus Downs, S. 00° 40' E. 443.28 feet to a corner of land now or formerly of Robert Downs; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) S. 44° 26' W. 847.44 feet to a stone and (2) S. 63° 25' W. 527.70 feet to a stone at a corner of land now or formerly of

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Ulysses S. Downs; thence, along the line of said last mentioned land, the following five (5) courses and distances: (1) S. 43° 39' W. 279.93 feet to a white oak tree; (2) S. 69° 27' W. 475.20 feet to a chestnut oak stump; (3) S. 26° 35' W. 305.98 feet to a chestnut oak stump; (4) S. 00° 02' W. 469.93 feet; and (5) S. 44° 17' W. 563.60 feet to a stone at a corner of land now or formerly of Enoch M. Snider; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) S. 43° 40' W. 1,635.14 feet and (2) S. 15° 04' W. 297.89 feet to a point, such point being also the point or place of beginning hereinafter specified in the description of Tract No. 2 of this subdivision B; thence along the line of said Tract No. 2, the following two (2) courses and distances: (1) N. 77° 30' W. 222.05 feet and (2) S. 12° 30' W. 1,238.64 feet; thence N. 39° 36' W. 8.25 feet; thence N. 70° 32' W. 110.93 feet; thence N. 63° 06' W. 127.73 feet; thence N. 75° 54' W. 47.34 feet; thence N. 65° 24' W. 433.91 feet; thence N. 3° 01' E. 405.11 feet; thence N. 70° 19' W. 34.47 feet to a white oak tree stump in the line of land now or formerly of T. F. Morgan; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 1° 32' W. 1,038.21 feet to a stone; (2) N. 33° 10' W. 159.25 feet to a stone; and (3) N. 6° 57' W. 344.19 feet to a post at a corner of other land now or formerly of T. F. Morgan; thence, along the line of said other land now or formerly of T. F. Morgan, the following four (4) courses and distances: (1) N. 6° 01' E. 319.07 feet to a stone; (2) N. 4° 15' W. 246.51 feet to a black walnut tree; (3) N. 41° 13' W. 230.26 feet to a stone; and (4) N. 3° 26' W. 385.08 feet to a corner of land now or formerly of Robert T. Jones; thence, along the line of said last mentioned land, the following three (3) courses and distances: (1) N. 19° 03' W. 98.04 feet; (2) N. 23° 27' W. 367.10 feet; and (3) N. 39° 16' W. 761.70 feet to a corner of said land now or formerly of Eli Nestor; thence, along the line of said last mentioned land, the following two (2) courses and distances: (1) N. 75° 07' E. 556.45 feet to a chestnut oak tree stump and (2) N. 50° 04' E. 212 feet to the point or place of beginning, containing 359 acres, more or less.

TRACT NO. 2: All that certain tract, piece or parcel of land, situate, lying and being in Lincoln District, bounded and described as follows:

BEGINNING at a point in the line of land now or formerly of Enoch M. Snider at the end of the course described as "S. 15° 04' W. 297.89 feet" in the description of Tract No. 1 of this Subdivision B; thence, along the line of said land now or formerly of Enoch M. Snider, S. 15° 04' W. 1,331.43 feet to the line of land now or for-

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merly of C. W. Davis; thence, along the line of said last mentioned land, N. 67° 09' W. 102.83 feet; thence N. 42° 58' E. 20 feet; thence N. 39° 36' W. 90.74 feet to a corner of said Tract No. 1; thence, along the line of said Tract No. 1, the following two (2) courses and distances: (1) N. 12° 30' E. 1,238.64 feet and (2) S. 77° 30' E. 222.05 feet to the point or place of beginning, containing 5.75 acres, more or less.

A plat or map of said Tracts No. 1 and 2 is recorded in the Office of the Clerk of the County Commission of Marion County, West Virginia, in Deed Book No. 390, Page 335.

Said Tracts No. 1 and 2 include 186 lots of ground situate in the unincorporated Village of Idamay, as shown on that certain plat or map recorded in said Clerk's Office in Deed Book No. 532, Pages 5 and 7, and 8 single family residences in said Village, as shown on that certain plat or map recorded in said Clerk's Office in Deed Book No. 596, Page 427.

Section 2 - That said Public Service District shall have all rights and powers granted to public service districts generally by the laws of the State of West Virginia and particularly by Article 13 (a) of Chapter 16 of the Code of West Virginia, 1931, as amended.

Section 3 - That the County Commission of Marion County has determined that the above-described territory is so situated that the construction or acquisition by purchase or otherwise in the maintenance, operation, improvement and extention of the properties supplying both water and sewage services within such territory of said Public Service District will be conducive to the preservation of public health, comfort and convenience of such area.

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Adopted by the County Commission of Marion County, West Virginia, on the 15th day of ~~April~~, 1983.

President of the County Commission of Marion County, West Virginia

Attest:

Clerk

JAMES O. WATKINS, JR.
ATTORNEY AT LAW
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RESOLUTION OF IDAMAY PUBLIC SERVICE DISTRICT TO CHANGE ITS OFFICIAL NAME TO GREATER MARION PUBLIC SERVICE DISTRICT

At a meeting of the Idamay Public Service District Board held on May ___, 1998, a quorum being then and there present, the following resolution was proposed and adopted:

WHEREAS, the Idamay Public Service District wishes to change its official name to Greater Marion Public Service District; and

WHEREAS the Idamay Public Service District believes it is in the best interest of Idamay Public Service District to change its official name to Greater Marion Public Service District due to the proposed enlargement of the boundaries of the District;

THEREFORE, pursuant to West Virginia Code §16-13A-4, be it resolved that the Idamay Public Service District hereby changes the official name of the District to Greater Marion Public Service District.

Adopted this 9th day of June, 1998.

Theresa Efaw
Chairperson

James J Rizzo
Board Member

Blanche Golden
Board Member

THE COUNTY COMMISSION OF MARION COUNTY, WEST VIRGINIA

RESOLUTION AND ORDER PROPOSING THE ENLARGEMENT AND NAME CHANGE OF IDAMAY PUBLIC SERVICE DISTRICT

WHEREAS, pursuant to Chapter 16, Article 13A, Section 2 of the West Virginia Code of 1931, as amended (the "Act"), The County Commission of Marion County (the "County Commission") has heretofore on May 27, 1998, duly created Idamay Public Service District (the "District");

WHEREAS, the Act provides that a county commission may, on its own motion, by order duly adopted, propose the enlargement of a public service district;

WHEREAS, the County Commission desires to enlarge the existing boundaries of the District to provide sewer services to the residents thereof;

WHEREAS, the County Commission desires to change the name of the District and its expanded area to the Greater Marion Public Service District;

WHEREAS, the County Commission deems it essential and desirable to adopt this resolution and order proposing the enlargement of the District and set forth other matters relating thereto as required by the Act;

NOW, THEREFORE, BE IT, AND IT IS HEREBY, RESOLVED AND ORDERED, BY THE COUNTY COMMISSION OF MARION COUNTY AS FOLLOWS:

1. The County Commission, on its own motion, subject to the written consent and approval of the Public Service Commission of West Virginia, proposes the enlargement of Idamay Public Service District.

2. The territory to be included in the proposed enlargement of the District shall include Carolina Improvement Association in Marion County, but shall exclude the corporate boundaries of the Towns of Worthington, Farmington, Mannington, Monongah, Barrackville, and Fairmont, bounded and described as follows:

A certain tract or parcel of land, situate in Marion County, West Virginia, being more particularly bounded and described as follows:

Beginning at a point, said point being on the common boundary line of Marion County and Harrison County at the intersection of County Route 8;

Thence leaving said County Route 8, and with said common boundary line of Marion County and Harrison County in a westerly direction to a point, said point being at the intersection of said common boundary line of Marion County and Harrison County and Wetzel County;

Thence leaving said Harrison County, and with the common boundary line of Marion County and Wetzel County in a northerly direction crossing U.S. Route 250 to a point, said point being at the intersection of said common boundary line of Marion County and Wetzel County and Monongalia County;

Thence leaving said Wetzel County, and with the common boundary line of Marion County and Monongalia County in an easterly direction to a point, said point being at the intersection of said common boundary line of Marion County and Monongalia County and County Route 14;

Thence leaving said Monongalia County, and with the common district line between Paw Paw District and Mannington District in a southeasterly direction to a point, said point being the intersection of said Paw Paw District and Mannington District and Lincoln District;

Thence leaving said Mannington District and with the common district line between Paw Paw District and Lincoln District in a southeasterly direction to a point, said point being the intersection of said Paw Paw District and Lincoln District and Fairmont District;

Thence leaving said Lincoln District and with the common district line between Paw Paw District and Fairmont District in a southeasterly direction to a point, said point being in the center of the West Fork River and at the intersection of said Paw Paw District and Fairmont district and Winfield District;

Thence leaving said Paw Paw District and with the common district line between Fairmont District and Winfield District and with the West Fork River in a southeasterly direction to a point, said point being on the northerly line of the City of Fairmont;

Thence leaving said Winfield District and said West Fork River and with said line of the City of Fairmont in a southwesterly direction crossing U.S. Route 250 and U.S. Route 19 to a point, said point being in the center of the West Fork River and at the intersection of the common boundary line of Fairmont District and Grant District;

Thence leaving said City of Fairmont and with the

common district line between Fairmont District and Grant District and with the West Fork River in a westerly direction to a point, said point being at the intersection of said common boundary line of Fairmont District and Grant District and the easterly line of the Town of Monongah;

Thence leaving said Fairmont District and with the common district line between Lincoln District and Grant District and with the West Fork River in a westerly direction through the Town of Monongah to a point, said point being at the intersection of said common boundary line of Fairmont District and Grant District and on the common boundary line between Marion County and Harrison County;

Thence leaving said West Fork River and with said common boundary line between Marion County and Harrison County crossing U.S. Route 19 and with County Route 48 in a westerly direction to a point, said point being at the intersection of said County Route 48 and County Route 8;

Thence leaving County Route 48 and with said County Route 8 and common boundary line between Marion County and with said common boundary line between Marion County and Harrison County to the **Place of Beginning** containing 109,393 acres **More or Less,** as shown on a map attached hereto and made a part of this description.

3. The proposed enlargement of the District does not include within its boundaries the territory of any other sewer public service district created under the laws of the State of West Virginia, and there is no city, incorporated town or other municipal corporation included within such boundaries.

4. The purpose of the proposed enlargement shall be to acquire, construct, maintain, operate, improve and extend sewer services and facilities within the above described territory.

5. The County Commisssion proposes to change the name of the expanded public service district from Idamay Public Service District to Greater Marion Public Service District.

6. The County Commission shall hold a hearing on the proposed enlargement of the District at the Marion County Courthouse of the 24th day of June, 1998, at 10:30 a.m., which date is not more that forty (40) days nor less that twenty (20) days from the date hereof. At such hearing, all persons residing in or owning or having any interest in property in the territory to be included within

the boundaries of the proposed enlargement shall have an opportunity to be heard for or against the proposed enlargement and the County commission shall consider and determine the feasibility of the proposed enlargement and shall adopt such resolutions and orders as it shall deem proper in the premises.

7. The Clerk of the County Commission shall cause notice of such hearing and the time and place thereof, including the description of the territory of the proposed enlargement, to be given by publication as a Class 1 legal advertisement if the Times-West Virginian newspaper published and of general circulation in Marion County at least ten (10) days prior to such hearing.

8. The Clerk of the County Commission shall also post in at least five (5) conspicuous places within the proposed enlarged boundaries of the District, a notice containing the same information as is contained in the published notice, and the notices shall be posted not less that ten (10) days before the hearing.

9. This Resolution and Order shall be effective immediately following adoption hereof.

ENTERED this 27th day of May, 1998.

President and Commissioner

Commissioner

Commissioner

ATTEST:

Clerk

AFFIDAVIT OF PUBLICATION

No 000098

State of West Virginia
County of Marion, to wit:

I, Beverly A. Miller, being first duly sworn upon my oath, do dispose and say that I am Legal Clerk of the **TIMES WEST VIRGINIAN** a corporation, publisher of the newspaper entitled the **TIMES WEST VIRGINIAN** an Independent newspaper:

that I have been duly authorized by the board of directors of such corporation to execute this affidavit of publication; that such newspaper has been published for more than one year prior to publication of the annexed notice described below, that such newspaper is regularly published daily except Saturday and Sunday, for at least fifty weeks during the calendar year, in the Municipality of Fairmont, Marion County, West Virginia; that such newspaper is a newspaper of "general circulation," as that term is defined in article three, chapter fifty-nine of the Code of West Virginia, 1931, as amended, within the publication area or areas of the aforementioned municipality and Marion County; that such newspaper averages in length four or more pages, exclusive of any cover, per issue; that such newspaper is circulated to the general public at a definite price or consideration; that such newspaper is a newspaper to which the general public resorts for passing events of a political, religious, commercial or social nature, and for current happenings, announcements, miscellaneous reading matter, advertisements and other notices.

that the annexed notice of Public Hearing was duly published in said newspaper once day for 1 successive day (Class I), commencing with the issue of the 10 day of June, 1998, and ending with the issue of the 10 day of June, 1998, and was posted at the front door of the Marion County Courthouse on the 10 day of ____ day of June, 1998; that said annexed notice was published on the following dates: June 10, 1998

and the cost of publishing said annexed noticed as aforesaid was $ 121.96.

Beverly A. Miller

Taken, subscribed and sworn to before me in said county this 24 day of June, 1998.

My commission expires Jan 24, 2000.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
Sherry L. Gillett
Fairmont, WV 26554
My Commission Expires Jan. 24, 2000

Sherry L. Gillett
Notary Public of Marion County, West Virginia

LEGALS

southeasterly direction to a point, said point being in the center of the West Fork River and at the intersection of said Paw Paw District and Fairmont District and Winfield District;
Thence leaving said Paw Paw District and with the common district line between Fairmont District and Winfield District and with the West Fork River in a southeasterly direction to a point, said point being on the northerly line of the City of Fairmont;
Thence leaving said Winfield District and said West Fork River and with said line of the City of Fairmont in a southwesterly direction crossing U.S. Route 250 and U.S. Route 19 to a point, said point, said point being in the center of the West Fork River and at the intersection of the common boundary line of Fairmont District and Grant District;
Thence leaving said City of Fairmont and with the common district line between Fairmont District and Grant District and with the West Fork River in a westerly direction to a point, said point being at the intersection of said common boundary line of Fairmont District and Grant District and the easterly line of the Town of Monongah;
Thence leaving said Fairmont District and with the common district line between Lincoln District and Grant District and with the West Fork River in a westerly direction through the Town of Monongah to a point, said point being at the intersection of said common boundary line of Fairmont District and Grant District and on the common boundary line between Marion County and Harrison County;
Thence leaving said West Fork River and with said common boundary line between Marion County and Harrison County crossing U. S. Route 19 and with County Route 48 in a westerly direction to a point, said pint being at the intersection of said County Route 48 and County Route 8;
Thence leaving County Route 48 and with said County Route 8 and common boundary line between Marion County and with said common boundary line between Marion County and Harrison County to the **Place of Beginning** containing 109, 393 acres More or Less, as shown on a map attached hereto and made a part of this description.
Excepting the municipalities and the areas served by Farmington, Mannington, Worthington, Monongah, Barrackville, and Fairmont, as shaded in yellow on the aloremention map.
All persons residing in or owning or having any interest in property in the proposed enlarged territory of The District are hereby notified that The County Commission of Marion County will conduct a public hearing on the 24th day of June, 1998, at 10:30 a.m. in the Marion County Courthouse at Fairmont, West Virginia, at which hearing all interested persons may appear before the County Commission and shall have an opportunity to be heard for or against the proposed eniargement and name change of the District.

Janice Cosco
Clerk of the
County Commission
of Marion County

NOTICE OF PUBLIC HEARING ON THE ENLARGEMENT AND NAME CHANGE OF IDAMAY PUBLIC SERVICE DISTRICT

Notice is hereby given that The County Commission of Marion County has, on its own motion, by order duly adopted on May 27, 1998, proposed the enlargement of Idamay Public Service District, and to change the name of the expanded public service district from Idamay Public Service District to Greater marion Public Service District.

DESCRIPTION OF PROPOSED IDAMAY PUBLIC SERVICE DISTRICT

A certain tract or parcel of land, situate in Marion County, West Virginia, being more particularly bounded and described as follows:
Beginning at a point, said point being on the common boundary line of Marion County and Harrison County at the intersection of County Route 8;
Thence leaving said County Route 8, and with said common boundary line of Marion County and Harrison County in a westerly direction to a point, said point being at the intersection of said common boundary line of Marion County and Harrison County and Wetzel County;
Thence leaving said Harrison County, and with the common boundary line of Marion County and Wetzel County in a northerly direction crossing U.S. Route 250 to a point, said point being at the intersection of said common boundary line of Marion County and Wetzel County and Monongalia County;
Thence leaving said Wetzel County, and with the common boundary line of Marion County and Monongalia County in an easterly direction to a point, said point being at the intersection of said common boundary line of Marion County and Monongalia County and County Route 14;
Thence leaving said Monongalia County, and with the common district line between Paw Paw District and Mannington District in a southeasterly direction to a point, said point being the intersection of said Paw Paw District and Mannington District and Lincoln District;
Thence leaving said Mannington District and with the common district line between Paw Paw District and Lincoln District in a southeasterly direction to a point, said point being the intersection of said Paw Paw District and Lincoln District and Fairmont District;
Thence leaving said Lincoln District and with the common district line between Paw Paw District and Fairmont District in a

THE COUNTY COMMISSION OF MARION COUNTY, WEST VIRGINIA

FIRST AMENDED RESOLUTION AND ORDER ENLARGING IDAMAY PUBLIC SERVICE DISTRICT AND CHANGING THE NAME TO THE GREATER MARION PUBLIC SERVICE DISTRICT

WHEREAS, The County Commission of Marion County (the "County Commission") did heretofore, by a Resolution and Order adopted May 27, 1998, fix a date for a hearing on the enlargement of Idamay Public Service District (the"District") for providing sewer services to the residents thereof, and in and by said resolution and order provide that all persons residing in or owning or having any interest in property in the territory to be included within the proposed enlarged boundaries of the District may appear before the County Commission at this hearing and have an opportunity to be heard for or against the proposed enlargement of the District;

WHEREAS, the Clerk of the County Commission has caused notice of this hearing to be given in the manner provided and required by said resolution and order and in accordance with Chapter 16, Article 13A, Section 2 of the West Virginia Code of 1931, as amended (the "Act"), by publication as a Class 1 legal advertisement and by posting in at least five (5) conspicuous places within the proposed enlarged boundaries of the District not less than ten (10) days before the hearing;

WHEREAS, a hearing was held on the proposed enlargement of the District at the Marion County Courthouse on the 24 day of June, 1998, at 10 a.m.;

WHEREAS, at such hearing, all persons residing in or owning or having any interest in property in the territory to be included within the proposed enlarged boundaries of the District were afforded an opportunity to be heard for or against the proposed enlargement;

WHEREAS, the County Commission determines that the enlargement of the District is feasible and that the construction or acquisition by purchase or otherwise and maintenance, operation, improvement and extension of public service properties by the District will be conductive to the preservation of public health, comfort and convenience of the resident of such enlarged territory;

WHEREAS, the County Commission deems it essential and desirable to adopt this resolution and order enlarging the District and set forth other matters

relating thereto as required by the Act;

WHEREAS, the County Commission deems it essential and desirable to change the name of the enlarged Idamay Public Service District to the Greater Marion Public Service District.

NOW, THEREFORE, BE IT, AND IT IS HEREBY, RESOLVED AND ORDERED, BY THE COUNTY COMMISSION OF MARION COUNTY AS FOLLOWS:

1. The County Commission, on its own motion, subject to the written consent and approval of the Public Service Commission of West Virginia, orders the enlargement of Idamay Public Service District.

2. The territory to be included in the enlargement of the District shall include Carolina Improvement Association in Marion County, but shall exclude the corporate boundaries of the municipalities of Worthington, Farmington, Mannington, Monongah, Barrackville, and Fairmont, and the territory is bounded and described as follows:

A certain tract or parcel of land, situate in Marion County, West Virginia, being more particularly bounded and described as follows:

Beginning at a point, said point being on the common boundary line of Marion County and Harrison County at the intersection of County Route 8;

Thence leaving said County Route 8, and with said common boundary line of Marion County and Harrison County in a westerly direction to a point, said point being at the intersection of said common boundary line of Marion County and Harrison County and Wetzel County;

Thence leaving said Harrison County, and with the common boundary line of Marion County and Wetzel County in a northerly direction crossing U.S. Route 250 to a point, said point being at the intersection of said common boundary line of Marion County and Wetzel County and Monongalia County;

Thence leaving said Wetzel County, and with the common boundary line of Marion County and Monongalia County in an easterly direction to a point, said point being at the intersection of said common boundary line of Marion County and Monongalia County and County Route 14;

Thence leaving said Monongalia County, and with the common district line between Paw Paw District and Mannington District in a southeasterly

direction to a point, said point being the intersection of said Paw Paw District and Mannington District and Lincoln District;

Thence leaving said Mannington District and with the common district line between Paw Paw District and Lincoln District in a southeasterly direction to a point, said point being the intersection of said Paw Paw District and Lincoln District and Fairmont District;

Thence leaving said Lincoln District and with the common district line between Paw Paw District and Fairmont District in a southeasterly direction to a point, said point being in the center of the West Fork River and at the intersection of said Paw Paw District and Fairmont district and Winfield District;

Thence leaving said Paw Paw District and with the common district line between Fairmont District and Winfield District and with the West Fork River in a southeasterly direction to a point, said point being on the northerly line of the City of Fairmont;

Thence leaving said Winfield District and said West Fork River and with said line of the City of Fairmont in a southwesterly direction crossing U.S. Route 250 and U.S. Route 19 to a point, said point being in the center of the West Fork River and at the intersection of the common boundary line of Fairmont District and Grant District;

Thence leaving said City of Fairmont and with the common district line between Fairmont District and Grant District and with the West Fork River in a westerly direction to a point, said point being at the intersection of said common boundary line of Fairmont District and Grant District and the easterly line of the Town of Monongah;

Thence leaving said Fairmont District and with the common district line between Lincoln District and Grant District and with the West Fork River in a westerly direction through the Town of Monongah to a point, said point being at the intersection of said common boundary line of Fairmont District and Grant District and on the common boundary line between Marion County and Harrison County;

Thence leaving said West Fork River and with said common boundary line between Marion County and Harrison County crossing U.S. Route 19 and with County Route 48 in a westerly direction to a point, said point being at the intersection of said County Route 48 and County Route 8;

Thence leaving County Route 48 and with said County Route 8 and common boundary line between Marion County and with said common boundary line between Marion County and Harrison County to the **Place of Beginning** containing 109,393 acres **More or Less**, as shown on a map attached hereto and made a part of this description.

3. The enlargement of the District does not include within its boundaries the territory of any other sewer public service district created under the laws of the State of West Virginia, and there is no city, incorporated town or other municipal corporation included within such boundaries.

4. The name of the enlarged public service district shall be changed from the Idamay Public Service District to the Great Marion Public Service District.

5. The District shall be authorized to acquire, construct, maintain operate, improve and extend sewer services and facilities within the above described territory.

6. The Clerk of the County Commission shall cause a certified copy of this Resolution and Order, together with a certified copy of the Resolution and Order proposing the enlargement of the District entered on the Sept. 11, 1998, to be filed with the Executive Secretary of the Public Service Commission of West Virginia within ten (10) days after the entry of this Resolution and Order.

7. This Resolution and Order shall be effective immediately following adoption hereof.

ENTERED this 11th day of Sept., 1998.

President and Commissioner

Cecily M. Enos

Commissioner

Cody A. Starcher

Commissioner

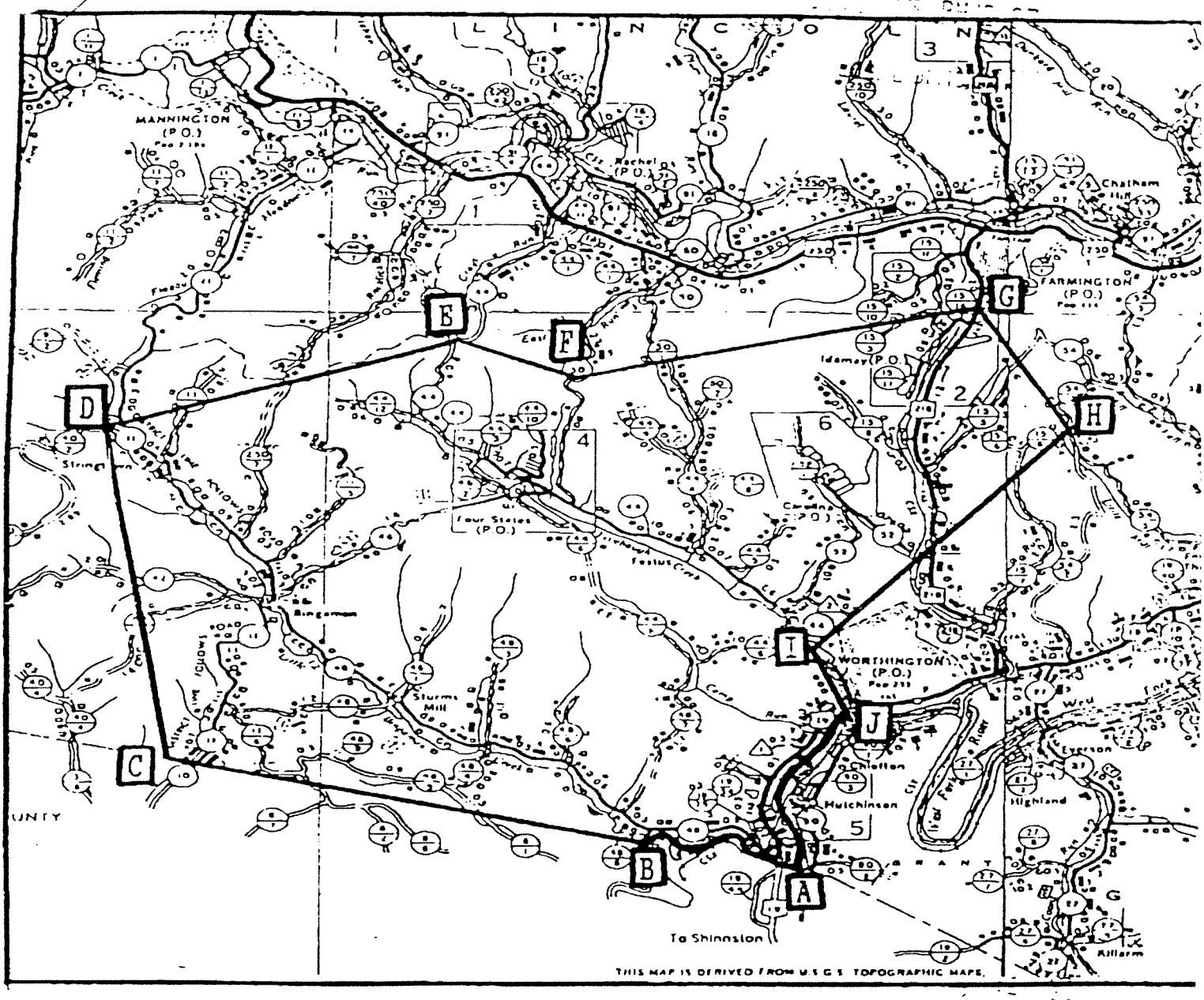
ATTEST:

Janice Cosco

CASE NO. 98-C801-PSD-FC

MARION COUNTY COMMISSION MAP OF PROPOSED

MEETS AND BOUNDS OF ENLARGED IDA MAY PUBLIC SERVICE DISTRICT



POINT	BEARING	DISTANCE
A	LAT 39° 25'54" - LONG 80° 16'29"	AB = 7,500 feet
B	LAT 39° 26'03" - LONG 80° 17'38"	BC = 16,800 feet
C	LAT 39° 26'42" - LONG 80° 21'16"	CD = 15,600 feet
D	LAT 39° 29'17" - LONG 80° 21'39"	DE = 11,800 feet
E	LAT 39° 29'48" - LONG 80° 19'07"	EF = 4,200 feet
F	LAT 39° 29'32" - LONG 80° 18'15"	FG = 13,900 feet
G	LAT 39° 30'06" - LONG 80° 15'15"	GH = 6,600 feet
H	LAT 39° 29'08" - LONG 80° 15'28"	HI = 13,000 feet
I	LAT 39° 27'32" - LONG 80° 16'29"	IJ = 3,200 feet
J	LAT 39° 27'05" - LONG 80° 16'07"	JA = 8,000 feet

PREPARED BY: PUBLIC SERVICE COMMISSION OF WEST VIRGINIA

RECEIVED
98 DEC 22 PM 1:36
WV PUBLIC SERVICE COMMISSION LEGAL DIVISION

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

980801aljl13098.wpd

Entered: November 30, 1998

FINAL
12-20-98

CASE NO. 98-0801-PSD-PC

MARION COUNTY COMMISSION
Petition for consent and approval to enlarge the Idamay Public Service District and to change the name of the expanded district from Idamay Public Service District to Greater Marion Public Service District.

RECOMMENDED DECISION

On July 2, 1998, the Marion County Commission (County Commission) filed a petition with the Public Service Commission for approval to enlarge the boundaries of the Idamay Public Service District (Idamay) and to change the name of the expanded district from Idamay Public Service District to Greater Marion Public Service District.

By Order dated July 27, 1998, this matter was referred to the Division of Administrative Law Judges for a decision to be rendered on or before January 28, 1999.

On September 21, 1998, Staff Attorney Ronald E. Robertson, Jr., filed the Final Joint Staff Memorandum, to which was attached the Final Internal Memorandum prepared by Mr. James Boggess, Utilities Analyst II, Water and Wastewater Division.

Messrs. Robertson and Boggess explained that Idamay was created by the Marion County Commission on February 25, 1983, "to construct or acquire by purchase or otherwise and maintain, operate, improve and extend properties supplying water and sewer services within said District." In Case No. 83-484-S-CN, Idamay was granted a certificate of convenience and necessity to operate a sewerage facility by Recommended Decision entered April 10, 1984, which became final April 30, 1984. Idamay is anticipating prefiling with the Commission a sewer project in which Idamay and neighboring Carolina Improvement Association will abandon their archaic treatment plants and connect with the Town of Worthington's new sewerage treatment plant. The boundary expansion in this case will place the project area within the boundaries of the Idamay Public Service District. The expansion will also encompass the watershed for the area in anticipation of future sewer extensions.

Staff recommended that approval be granted to the Marion County Commission's petition for the boundary expansion and for the name change

and that a hearing be set in this case to complete the requirements of West Virginia Code §16-13A-2.

By Order dated October 15, 1998, this matter was set for a hearing to be held in Room 104, City-County Complex, Fairmont, West Virginia, on November 20, 1998. Said Order also provided that the Marion County Commission give notice of the hearing to be held on November 20, 1998, by publishing a Notice of Hearing once in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Marion County.

The hearing was held as scheduled. Mr. Kevin McClung appeared as a representative of the Marion County Commission. Commission Staff was represented by Staff Attorney Ronald E. Robertson, Jr. No one appeared in protest to the application.

A copy of the affidavit of publication was provided at the hearing which reflects that publication was made in accordance with the Commission's requirements.

The Final Joint Staff Memorandum prepared in this case was marked as Staff Exhibit No. 1 and received into evidence.

Since there was no protest to the application, no evidence was received and the case was submitted as unprotested.

FINDINGS OF FACT

1. On July 2, 1998, the Marion County Commission filed a petition seeking approval of the Public Service Commission to enlarge the boundaries of the Idamay Public Service District and to change the name of the expanded District from Idamay Public Service District to Greater Marion Public Service District. (See, petition).

2. On September 21, 1998, Staff Attorney Ronald E. Robertson, Jr., filed the Final Joint Staff Memorandum, to which was attached the Final Internal Memorandum prepared by Mr. James Boggess, Utilities Analyst II, Water and Wastewater Division. Staff recommended that approval be granted to the Marion County Commission's petition for the boundary expansion and the name change and that a hearing be set to complete the requirements of West Virginia Code §16-13A-2. (See Final Joint Staff Memorandum filed September 21, 1998).

3. By Order dated October 15, 1998, this matter was set for a hearing to be held in Room 104, City-County Complex, Fairmont, West Virginia, on November 20, 1998. Said Order also provided that the Marion County Commission give notice of the hearing to be held by publishing a Notice of Hearing once in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Marion County. (See, October 15, 1998 Order).

4. The hearing was held as scheduled and, at the hearing, a copy of the affidavit of publication was provided, which reflects that

publication was made in accordance with the Commission's requirements. (See, Tr., p. 3).

5. No one appeared in protest to the application of the Marion County Commission. (See, Tr., p. 4).

CONCLUSION OF LAW

Since the Marion County Commission gave proper notice of the hearing to be held on its petition on November 20, 1998, and no one appeared in protest to the petition, the petition of the Marion County Commission filed on July 2, 1998, to enlarge the boundaries of the Idamay Public Service District and to change the name of the expanded District from Idamay Public Service District to the Greater Marion Public Service District can be approved as unprotested.

ORDER

IT IS, THEREFORE, ORDERED that the Order of the Marion County Commission, enlarging the boundaries of the Idamay Public Service District and changing the name of the expanded District from Idamay Public Service District to the Greater Marion Public Service District, entered on September 11, 1998, be, and the same hereby is, approved.

The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

Robert W. Glass
Administrative Law Judge

RWG:mal

Public Service Commission
of West Virginia
Charleston

[illegible]
Commissioner and President

WAYNE A. STUTLER
Commissioner

BURLEY "BUTCH" TENNANT, JR.
Commissioner

Address Correspondence to:
200 JACKSON STREET - ROOM 405
FAIRMONT, WEST VIRGINIA 26554
(304) 367-5400
FAX (304) 367-5431

April 7, 2010

Adam Reeves
PO Box 59
Carolina, WV 26563

Dear Mr. Reeves:

The Marion County Commission, in regular session on April 7, 2010, appointed you to serve as a board member of the Greater Marion PSD. Your term will expire April 1, 2016.

The Commission is pleased you have accepted this responsibility to provide service to all the residents of the Greater Marion PSD area.

If you have any questions, feel free to call 367-5428.

Thank you.

Paulette DeBolt, Administrative Assistant
Marion County Commission

cc: Carol Brooks

287.3244

Marion County Commission

BURLEY "BUTCH" TENNANT, JR.
President
RANDY J. ELLIOTT
Commissioner
WAYNE A. STUTLER
Commissioner

Address Correspondence to:
200 JACKSON STREET • ROOM 403
FAIRMONT, WEST VIRGINIA 26554
(304) 367-5400
FAX (304) 367-5431

August 15, 2011

Vickie Dodd
PO Box 161
303 Elm St.
Carolina, WV 26576

Dear Ms. Dodd:

The Marion County Commission, in regular session on August 10, 2011, appointed you to serve as a member of the Greater Marion PSD. Your term will expire 8/10/14. 17

The Commission is pleased you have accepted this responsibility to provide service to all the residents of Marion County.

We extend to you our best wishes and full cooperation for a successful tenure.

Sincerely,

Paulette DeBolt
Administrative Assistant
Marion County Commission

Marion County Commission

RANDY ELLIOTT
Commissioner and President

WAYNE A. STUTLER
Commissioner

BURLEY "BUTCH" TENNANT
Commissioner

Address Correspondence to:
200 JACKSON STREET • ROOM 403
FAIRMONT, WEST VIRGINIA 26554
(304) 367-5400
FAX (304) 367-5431

November 24, 2010

Angel N. Tennant
49 Maple St.
Carolina, WV 26563

Dear Ms. Tennant:

The Marion County Commission, in regular session on November 24, 2010 appointed you to serve as a member of the GMPSD. Please come to the County Clerk's office to be sworn in at your earliest convenience.

The Commission is pleased you have accepted this responsibility to provide service to the residents of Marion County.

If you have any questions, please feel free to call 367-5400.

Thank you.

Paulette DeBolt, Administrative Assistant
Marion County Commission

State of West Virginia, SS.:

I, Adam Reeves, do solemnly swear that I will support the Constitution of the United States, and the Constitution of the State of West Virginia, and I further solemnly swear that I will faithfully and impartially perform the duties of the office of Member of the Greater Marion PSD to the best of my skill and judgment. So help me God.

Subscribed and sworn to before me, Janice Cosco, Clerk and Recorder o the Marion County Commisision and for said county, this 20th day of April, 20 10.

Janice Cosco

by Deputy

State of West Virginia, SS.:

I, Angel N. Tennant, do solemnly swear that I will support the Constitution of the United States, and the Constitution of the State of West Virginia, and I further solemnly swear that I will faithfully and impartially perform the duties of the office of Greater Marion Public Service District Member

to the best of my skill and judgment. So help me God.

x Angel N. Tennant

Subscribed and sworn to before me, Janice Cosco, Clerk and Recorder of the Marion County Commission in and for said county, this 7th day of December, 20 10.

Janice Cosco

Amy Thompson Deputy

AUTHORIZING RESOLUTION
Clean Water State Revolving Fund

At the meeting of the Greater Marion Public Service District, Carol Brooks, Vicki Dodd, Angel Tennant and Adam Reese have been duly authorized to act on and sign on behalf of the Greater Marion Public Service District any and all federal and state actions as they relate to planning, design, and/or construction of wastewater facilities.

This motion being duly presented and seconded, has been adopted by a quorum vote and therefore Carol Brooks, Vicki Dodd, Angel Tennant and Adam Reese may sign all such documents relative to wastewater facilities on behalf of the Greater Marion Public Service District, but only upon approval of such documents by the Governing Body.

Adopted this 19th day of January, 2013.

[Seal]

By: _____ _____
Secretary Chairman

RULES OF PROCEDURE

GREATER MARION WATER PUBLIC SERVICE DISTRICT

ARTICLE I

NAME AND PLACE OF BUSINESS

Section 1. Name: GREATER MARION WATER PUBLIC SERVICE DISTRICT.

Section 2. The principal office of this Public Service District will be located in Idamay, Marion County, West Virginia.

Section 3. The Common Seal of the District shall consist of 2 concentric circles between which circles shall be inscribed Greater Marion Water Public Service District, and in the center "seal" as follows:

Section 4: The fiscal year of the District shall begin on July 1 of each year and shall end on the following June 30.

ARTICLE II

PURPOSE

This District is organized exclusively for the purposes set forth in Chapter 16, Article 13A of the Code of West Virginia of 1931, as amended (the "Act").

ARTICLE III

MEMBERSHIP

Section 1. The members of the Public Service Board of this District shall be those persons appointed by The County Commission of Marion County, West Virginia, or otherwise appointed pursuant to the Act, who shall serve for such terms as may be specified in the order of the County Commission or otherwise.

Section 2. Should any member of the Public Service Board resign or otherwise become legally disqualified to serve as a member of the Public Service Board, the Secretary shall immediately notify the County Commission or other entity provided under the Act and request the appointment of a qualified person to fill such vacancy. Prior to the end of the term of any member of the Public Service Board, the Secretary shall notify the County Commission or other entity provided under the Act of the pending termination and request the County Commission or other entity provided under the Act to enter an order of appointment or re-appointment to maintain a fully qualified membership of the Public Service Board.

ARTICLE IV

MEETINGS OF THE PUBLIC SERVICE BOARD

Section 1. The members of the Public Service Board of this District shall hold regular monthly meetings on the first Thursday of each month at such place and hour as the members shall determine from time to time. If the day stated shall fall on a legal holiday, the meeting shall be held on the following day. Special meetings of the Public Service Board may be called at any time by the Chairman or by a quorum of the Board.

Section 2. At any meeting of the Public Service Board of the District, 2 members shall constitute a quorum. Each member of the Public Service Board shall have one vote at any membership meeting and if a quorum is not present, those present may adjourn the meeting to a later date.

Section 3. Unless otherwise agreed, notice to members of regular meetings shall not be required. Unless otherwise waived, notice of each special meeting of the membership shall be given to all members by the Secretary by fax, telephone, mail or other satisfactory means at least 3 days before the date fixed for such special meeting. The notice of any special meeting shall state briefly the purposes of such meeting and the nature of the business to be transacted thereat, and no business other than that stated in the notice or incidental thereto shall be transacted at any such special meeting.

PUBLIC NOTICE OF MEETINGS

Section 4. Pursuant to Section 3, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended (1999 Revision), notice of the date, time, place and agenda of all regularly scheduled meetings of such Public Service Board, and the date, time, place and purpose of all special meetings of such Public Service Board, shall be made available, in advance, to the public and news media (except in the event of an emergency requiring immediate action) as follows:

A. Regular Meetings. A notice shall be posted and maintained by the Secretary of the Public Service Board of the Public Service District at the front door or bulletin board of the Marion County Courthouse and at the front door or bulletin board of the place fixed for regular meetings of the Public Service Board of the date, time and place fixed and entered of record by the Public Service Board for the holding of regularly scheduled meetings. In addition, a copy of the agenda for each regularly scheduled meeting shall be posted at the same locations by the Secretary of the Public Service Board not less than 48 hours before such regular meeting is to be held. If a particular regularly scheduled meeting is cancelled or postponed, a notice of such cancellation or postponement shall be posted at the same locations as soon as feasible after such cancellation or postponement has been determined.

B. Special Meetings. A notice shall be posted by the Secretary of the Public Service Board at the front door or bulletin board of the Marion County Courthouse and at the front door or bulletin board of the place fixed for the regular meetings of the Public Service Board not less than 48 hours before a specially scheduled meeting is to be held, stating the date, time, place and purpose for which such special meeting shall be held. If the special meeting is cancelled, a notice of such cancellation shall be posted at the same locations as soon as feasible after such cancellation has been determined.

ARTICLE V

OFFICERS

Section 1. The officers of the Public Service Board shall be a Chairman, a Secretary and a Treasurer. The Chairman shall be elected from the members of the Public Service Board. The Secretary and Treasurer need not be members of the Public Service Board, and may be the same person.

Section 2. The officers of the Public Service Board shall be elected each year by the members at the first meeting held in such year. The officers so elected shall serve until the next annual

election by the membership and until their successors are duly elected and qualified. Any vacancy occurring among the officers shall be filled by the members of the Public Service Board at a regular or special meeting. Persons selected to fill vacancies shall serve until the following January meeting of the Board when their successors shall be elected hereinabove provided.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. When present, the Chairman shall preside as Chairman at all meetings of the Public Service Board. The Chairman shall, together with the Secretary, sign the minutes of all meetings at which he or she shall preside. The Chairman shall attend generally to the executive business of the Board and exercise such powers as may be conferred by the Board, by these Rules of Procedure, or as prescribed by law. The Chairman shall execute, and if necessary, acknowledge for record, any deeds, deeds of trust, contracts, notes, bonds, agreements or other papers necessary, requisite, proper or convenient to be executed by or on behalf of the Board when and if directed by the members of the Board.

Section 2. The Secretary shall keep a record of all proceedings of the Board which shall be available for inspection as other public records. The Secretary shall, together with the Chairman, sign the minutes of the meetings at which he or she is present. The Secretary shall have charge of the minute book, be the custodian of the Common Seal of the District and all deeds and other writings and papers of the Board. The Secretary shall also perform such other duties as he or she may have under law by virtue of the office or as may be conferred from time to time by the members of the Board, these Rules of Procedure or as prescribed by law.

Section 3. The Treasurer shall be the lawful custodian of all funds of the District and shall disburse funds of the District on orders authorized or approved by the Board. The Treasurer shall keep or cause to be kept proper and accurate books of accounts and proper receipts and vouchers for all disbursements made by or through him and shall prepare and submit such reports and statements of the financial condition of the Board as the members may from time to time prescribe. He shall perform such other duties as may be required of him by law or as may be conferred upon him by the members of the Board, these Rules of Procedure or as prescribed by law.

Section 4. If the Chairman, Secretary or Treasurer is absent from any meeting, the remaining members of the Board shall select a temporary chairman, secretary or treasurer, as necessary, who shall have all of the powers of the absent officer during such period of absence.

ARTICLE VII

AMENDMENTS TO RULES OF PROCEDURE

These Rules of Procedure may be altered, changed, amended, repealed or added to at any regular or special meeting of the Board by a majority vote of the entire Board, or at any regular or special meeting of the members when a quorum is present in person and a majority of those present vote for the amendment; but no such change, alteration, amendment, repeal or addition shall be made at any special meeting unless notice of the intention to propose such change, alteration, amendment, repeal or addition and a clear statement of the substance thereof be included in the written notice calling such meeting.

These Rules of Procedure shall replace any and all previous rules of procedure, bylaws or similar rules heretofore adopted by the District.

Adopted this 7th day of December, 2000.

LAW OFFICE OF
JAMES V. KELSH
300 Summers St., Ste. 1230
P.O. Box 3713
Charleston, WV 25337-3713
kelshlaw@yahoo.com
WV State Bar #6617

Telephone
(304) 343-1654

Facsimile
(304) 343-1657

September 11, 2009

RECEIVED
09 SEP 11 PM 4:59
W VA PUBLIC SERVICE COMMISSION
SECRETARY'S OFFICE

Ms. Sandra Squire
Executive Secretary
Public Service Commission of
201 Brooks Street
Post Office Box 812
Charleston, West Virginia 25323

RE: CASE NO. 09-1036-PSD-SCN
GREATER MARION PUBLIC SERVICE DISTRICT

Dear Ms. Squire:

Pursuant to the Order entered in the above proceeding on June 29, 2009, enclosed herein please find the original and twelve (12) copies of an Affidavit evidencing publication of the Notice of Filing on July 3, 2009 in the *Times West Virginian*, a newspaper in Marion County, WV.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,

James V. Kelsh
(WV State Bar No. 6617)

JVK/nal
Enclosures
cc: C. Terry Owen, Esq.
Paul Morris
Lea Wolfe
(grmarionpsd\09CN\squire ltr filing aff pub)

AFFIDAVIT OF PUBLICATION

009341

State of West Virginia

County of Marion, to wit:

I, Beverly A. Miller, being first duly sworn upon my oath,

do dispose and say that I am Legal Clerk of the **TIMES WEST VIRGINIAN** a corporation, publisher of the newspaper entitled the **TIMES WEST VIRGINIAN** an Independent newspaper:

that I have been duly authorized by the board of directors of such corporation to execute this affidavit of publication; that such newspaper has been published for more than one year prior to publication of the annexed notice described below, that such newspaper is regularly published daily except Saturday and Sunday, for at least fifty weeks during the calendar year, in the Municipality of Fairmont, Marion County, West Virginia; that such newspaper is a newspaper of "general circulation," as that term is defined in article three, chapter fifty-nine of the Code of West Virginia, 1931, as amended, within the publication area or areas of the aforementioned municipality and Marion County; that such newspaper averages in length four or more pages, exclusive of any cover, per issue; that such newspaper is circulated to the general public at a definite price or consideration; that such newspaper is a newspaper to which the general public resorts for passing events of a political, religious, commercial or social nature, and for current happenings, announcements, miscellaneous reading matter, advertisements and other notices.

that the annexed notice of Application was duly published in said newspaper once day for 1 successive day (Class I), commencing with the issue of the 3 day of July, 2009, and ending with the issue of the 3 day of July, 2009, and was posted at the front door of the Marion County Courthouse on the 3 day of July, 2009; that said annexed notice was published on the following dates: July 3, 2009

and the cost of publishing said annexed notice as aforesaid was $ 376.40.

Beverly A. Miller

Taken, subscribed and sworn to before me in said county this 7 day of July, 2009,

My commission expires

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
TONI A. RICER
300 QUINCY STREET
FAIRMONT, WV 26554
My commission expires April 21, 2019

Toni A Ricer

Notary Public of Marion County, West Virginia

Legals

Legals

Legals

Legals

PUBLIC SERVICE COMMISSION WEST VIRGINIA CHARLESTON

Entered by the Public Service Commission of West Virginia, in the City of Charleston on the 29th day of June, 2009.

CASE NO. 09-1036-PSD-SCN

GREATER MARION PUBLIC SERVICE DISTRICT, a public corporation.

Application for a certificate of convenience and necessity to construct wastewater collection facilities.

NOTICE OF FILING

On June 23, 2009, Greater Marion Public Service District ("District") filed an application ("Application") duly verified, for a certificate of convenience and necessity to undertake a project ("Project") for the construction to replace the existing vacuum collection system in the communities of Carolina and Idamay with a gravity collection system and convey the sewage to Worthington for treatment, and for approval of engineering agreement.

The District estimates that the Project will cost approximately $6,640,800.00. It is proposed that the construction will be financed by a $6,640,800.00 loan ("Loan") from the West Virginia Department of Environmental Protection ("DEP") State Revolving Fund ("SRF"), using American Recovery and Reinvestment Act funds, popularly known as federal stimulus funds.

The District anticipates charging the following rates upon substantial completion of the Project.

RATES

First 5,000 gallons used per month $12.05 per 1,000 gallons

Next 15,000 gallons used per month $11.26 per 1,000 gallons

Next 30,000 gallons used per month $10.49 per 1,000 gallons

All over 50,000 gallons used per month $9.69 per 1,000 gallons

MINIMUM MONTHLY BILL

No bill will be rendered for less than $36.15 per month, which is the equivalent of 3,000 gallons.

TAP FEE

The following charge is to be made whenever the District installs a new tap to serve an applicant.

A tap fee of $300.00 will be charged to customers applying for service outside of a certificate proceeding before the Commission for each new tap to the system.

DISCONNECT/ RECONNECT FEES) ADMINISTRATIVE FEES

Whenever water service has been disconnected for non-payment of sewer bills in conjunction with a water service termination agreement with the Town of Monongah, a disconnection fee of $25.00 shall be charged; or in the event the delinquent sewer bill is collected by the water company, an administrative fee of $25.00 shall be charged.

Whenever water service, which has been previously disconnected or otherwise withheld for non-payment of sewer bills in conjunction with a water service termination agreement with the Town of Monongah is reconnected, a reconnect fee of $25.00 shall be charged.

Whenever water service has been disconnected for non-payment of sewer bills in conjunction with a water service termination agreement with the Town of Worthington, a disconnection fee of $25.00 shall be charged; or in the event the delinquent sewer bill is collected by the water company, an administrative fee of $25.00 shall be charged.

Whenever water service, which has been previously disconnected or otherwise withheld for non-payment of sewer bills in conjunction with a water service termination agreement with the Town of Worthington, is reconnected, a reconnect fee of $25.00 shall be charged.

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full when due, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is only to be collected only once for each bill where it is appropriate.

LEAK ADJUSTMENT INCREMENT

$3.48 per M. gallons of water is to be used when the bill reflects unusual consumption which can be attributed to eligible leakage on customer's side of the meter. This rate shall be applied to all such consumption above customer's historical average usage.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the District or a maximum of $25.00 will be imposed upon any customer whose check for payment of charges is returned by the bank due to insufficient finds.

SECURITY DEPOSIT

A deposit of $50.00 or 2-1/2 of the average annual usage of the applicant's specific customer class, whichever is greater.

ADMINISTRATIVE FEE - $15.00

To be charged in the event the District or its agent collects payment in full of a delinquent sewer bill at the customer's premise in lieu of discontinuance of water service for nonpayment of a sewer bill.

SURCHARGE FORMULA TO BE APPLIED IN CASES WHERE SURFACE DRAINAGE IS CONNECTED TO THE DISTRICT'S SANITARY SYSTEM

APPLICABILITY

Whenever the District has discovered that a customer's roof drain, downspout, storm sewer or similar facility conducting surface water has been connected to the District's sewer system and such a customer has failed to take appropriate action within thirty (30) days of receipt of a demand by the District in accordance with the Rules and Regulations of the Public Service Commission to eliminate such connection, a surcharge will be imposed upon the customer calculated on the basis of the following formula:

S = A x R x .006233 x C

S = the surcharge in dollars

A = the area under roof and or the area of any other water collecting surface connected to the sanitary sewer in square feet

R = the measured monthly rainfall in inches

.0006233 = a conversion factor to change inches of rain x square feet of surface to thousand of gallons of water

C = the District's approved rate per thousand gallons of metered water usage

The District shall not impose the surcharge unless and until the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing, dye testing, or on-site inspection that rain or surface water is being introduced into the sanitary sewer system at the customer's location, and that the customer has not acted within thirty days from receipt of such notice to divert the water from the sanitary sewer system.

The surcharge shall be calculated and imposed for each month the condition continues to exist. Failure to pay the surcharge and/or correct the situation shall give rise to the possible termination of water service in accordance with the Rules and Regulations of the Public Service Commission of West Virginia.

These rates represent the following project-related increases:

	MONTHLY ($)INCREASE	(%)INCREASE
Residential (4,000 gallons per month)	$12.00	33%
Commercial (20,000 gallons per month)	$58.05	34%

The proposed increased rates and charges will produce approximately $72,859.00 in additional revenue, an increase of 40.7%.

The increases shown are based on averages of all customers in the indicated class. Individual customers may receive increases that are greater or less than average. Furthermore, the requested rates and charges are only a proposal and are subject to change (increases or decreases) by the Public Service Commission in its review of this filing.

Pursuant to §24-2-11, West Virginia Code, IT IS ORDERED that the Greater Marion Public Service District give notice of the filing of said application, by publishing a copy of this order, once in a newspaper duly qualified by the Secretary of State, published and of general circulation in Marion County, making due return to this Commission of proper certification of publication immediately after publication. Anyone desiring to protest or intervene should file a written protest or notice of intervention within thirty days following the date of this publication unless otherwise modified by Commission order. Failure to timely protest or intervene can affect your right to protest aspects of this certificate case, including any associated rate increases, or to participate in future proceedings. All protests or requests to intervene should briefly state the reason for the protest or intervention. Requests to intervene must comply with the Commission's rules on intervention set forth in the Commission's Rules of Practice and Procedure. All protests and interventions should be addressed to Sandra Squire, Executive Secretary, P. O. Box 812, Charleston, West Virginia 25323.

IT IS FURTHER ORDERED that if there is no substantial protest to the Application received within said thirty day period, the Commission may waive formal hearing and grant the application based on the evidence submitted with said application and its review thereof.

Sandra Squire
Executive Secretary
Times: July 3, 2009

Greater Marion Public Service District

Minutes for January 19, 2013

Meeting place: Carolina Methodist Church, Carolina, WV

Meeting called to order 9:30 a.m.

Present were Vicki Dodd, Chairperson, Adam Reeves, Vice Chairman, Angel Tennant, Secretary/Treasurer, Carol Brooks, Office Manager, Dave Vanscoy, RKK, John Stump, Steptoe and Johnson.

Chairperson announced that a quorum of members were present and that the meeting was open for any business properly brought before it.

Minutes of previous meeting approved

Financial report and bills approved

Billing report approved

Old business discussed:

1. Waiting on County Commission to forgive loan
2. Harrison property ROE set up for February 15, 2013
3. Waiting for records of 2 easements for Bituminous coal
4. Overcharge of lawyer fees—Board agreed that letter would be written to Jim Kelsh to obtain an explanation of expenses

New Business:

1. Officer positions for calendar year 2013
   Angel Tennant made the motion that Vicki Dodd serve as Chairperson for calendar year 2013. Adam Reeves seconded the motion and the motion carried.
   Adam Reeves made the motion that angel Tennant serve as Secretary/Treasurer for calendar year 2013. Vicki Dodd seconded and the motion carried.
   Vicki Dodd made the motion that Adam reeves serve as Vice Chair for calendar year 2013. Angel Tennant seconded the motion and motion carried.
2. SRF Authorizing Resolution
   The Chairperson presented a proposed resolution authorizing members of the board and Carol Brooks the authority to execute documents with respect to the proposed Department of environmental Protection SRF Project. Thereupon, on motion duly made

Vickie Dodd and seconded by Adam Reeves, it was unanimously ordered that the said Resolution be adopted and be in full force and effect on and from the date hereof.

3. Bond Resolution

Thereupon, the Chairman presented a proposed Bond Resolution in writing entitled:

RESOLUTION AUTHORIZING THE ACQUISISTION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF GREATER MARION PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE OF THE DISTRICT OF $1663,080 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRIGNIA SRF PROGRAM) PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFY AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

And caused the same to be read and there was discussion. Thereupon, on motion duly made Angel Tennant and seconded by Vickie Dodd, it was unanimously ordered that the said Bond Resolution be adopted and be in full force and effect on from the date hereof.

4. Supplemental Resolution

Next the Chairperson presented a proposed Supplemental Bond Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM); AND SEWER REVENUE BONDS, SERIES 2013 B (WEST VIRIGNIA SRF PROGRAM) OF GREATER MARION PPUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

And caused the same to be read and there was discussion. Thereupon, on motion duly made by Vickie Dodd and seconded by Angel Tennant, it was unanimously ordered that the said Supplemental Bond Resolution be adoped and be in full force and effect on and from the date hereof.

5. Sweep Resolution

Next the Chairperson presented a proposed Sweep Resolution for the authorization of electronic monthly debt service and reserve fund payments to the Municipal Bond

Commission. Thereupon, on motion duly made by Adam Reeves and seconded by Angel Tennant, it was unanimously ordered that the said Sweep Resolution be adopted. A motion was made by Angel Tennant, Secretary/Treasurer to set up this account at a bank convenient for the office manager and naming Vickie Dodd, Chairperson, Angel Tennant, secretary/treasurer, Carol Brooks, office manager to be listed on this account. It was seconded by Adam Reeves, Vice Chairman and motion carried.

6. First Draw Resolution
   Next, the Chairperson presented a proposed First Draw Resolution for the approval of invoices from the construction loans. Thereupon, on motion duly made by Vicki Dodd and seconded by Angel Tennant, it was unanimously ordered that the said Draw Resolution be adopted.
7. Approval and awarding of the 3 contracts
   The contracts were presented to the Board. Upon review of the bids and recommendations of RKK then Vicki Dodd, Chairperson made a motion to approve and award the following contracts:
   a. Contract 1 Carolina to Rover Construction in the amount of $1,403,375.00
   b. Contract 2 Idamay to Bear Contracting, LLC in the amount of $2,265,931.00
   c. Contract 3 Sewer Pump Station Carolina and Idamay to Alvarez Contractors, Inc. for $949,000.00

   Adam Reeves seconded and the motion was approved.

8. Resolution and Agreement for Deposit Account
   Vicki Dodd, Chairperson presented a resolution and agreement for deposit account at BBT for the project funds. Vickie Dodd, Chairperson, Angel Tennant, Secretary/Treasurer, Carol Brooks, Office Manager would be named on this account. Lea Wolfe, Region VI would be given computer access only. Vickie Dodd, Chairperson made a motion to accept this resolution. Angel Tennant made a second and motion carried.
9. The Board requested the office manager prepare a letter to Jim Kelsh, project attorney requesting an itemized billing list to explain why he was overbudget on his billing.
10. Discussion was held on the operation and maintenance agreement. Carol Brooks, office manager was informed by Mike Tichnell, Worthington plant supervisor that Worthington was not interested in keeping the O&M agreement when the new project was completed. This discussion will be tabled till next month.
11. Discussion was held on plan for I&I in the system. Board has a bid from one company in hand. It was announced that another contractor was interested and would be asked to submit a bid before next month meeting. The Board will also request RKK to give a presentation on the solution.

12. The Board requested Carol Brooks, office manager to talk to Debbie Spears, class action representative about an account for the reimbursement of monies already contributed to the project to be used to rid the system of I&I problems.

Chairperson, Vickie Dodd adjourned the meeting at 11:00 A.M.

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A; and
Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program)

EXCERPT OF MINUTES ON ELECTION OF 2013 OFFICERS; AUTHORIZATION RESOLUTION; ADOPTION OF BOND RESOLUTION, SUPPLEMENTAL RESOLUTION, DRAW RESOLUTION AND SWEEP RESOLUTION

The undersigned SECRETARY of Greater Marion Public Service District hereby certifies that the following is a true and correct excerpt of the minutes of a regular meeting of the said Public Service District:

*** *** ***

Greater Marion Public Service District met, pursuant to notice duly posted, on the 19th day of January, 2013, in Carolina, West Virginia, at the hour of 9:30 am.

PRESENT: Vickie Dodd, Chairman
Adam Reeves, Vice Chairman
Angel Tennant, Secretary / Treasurer
Carol Brooks, Manager
Dave Vanscoy, RKK
John Stump, S&J

The Chairman called the meeting to order. The Chairman announced that a quorum of members was present and that the meeting was open for any business properly before it.

Officer positions for calendar year 2013

Angel Tennant made the motion that Vickie Dodd serve as Chairman for calendar year 2013. Adam Reeves seconded the motion and the motion carried.

Adam Reeves made the motion that Angel Tennant serve as Secretary/Treasurer for calendar year 2013. Vickie Dodd seconded the motion and the motion carried.

Vickie Dodd made the motion that Adam Reeves serve as Vice-Chair for calendar year 2013. Angel Tennant seconded the motion and the motion carried.

SRF Authorizing Resolution

The Chairman presented a proposed resolution authorizing members of the board and Carol Brooks the authority to execute documents with respect to the proposed Department of Environmental Protection SRF Project. Thereupon, on motion duly made Vickie Dodd and seconded by Adam Reeves, it was unanimously ordered that the said Resolution be adopted and be in full force and effect on and from the date hereof

Bond Resolution

Thereupon, the Chairman presented a proposed Bond Resolution in writing entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF GREATER MARION PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF $1,663,080 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), AND $1,997,679 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and caused the same to be read and there was discussion. Thereupon, on motion duly made Angel Tennant and seconded by Vickie Dodd, it was unanimously ordered that the said Bond Resolution be adopted and be in full force and effect on and from the date hereof.

Supplemental Resolution

Next, the Chairman presented a proposed Supplemental Bond Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND

OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM); AND SEWER REVENUE BONDS, SERIES 2013 B (WEST VIRGINIA SRF PROGRAM), OF GREATER MARION PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Thereupon, on motion duly made by Vickie Dodd and seconded by Angel Tennant, it was unanimously ordered that the said Supplemental Bond Resolution be adopted and be in full force and effect on and from the date hereof.

Sweep Resolution

Next, the Chairman presented a proposed Sweep Resolution for the authorization of electronic monthly debt service and reserve fund payments to the Municipal Bond Commission. Thereupon, on motion duly made by Adam Reeves and seconded by Angel Tennant, it was unanimously ordered that the said Sweep Resolution be adopted.

First Draw Resolution

Next, the Chairman presented a proposed First Draw Resolution for the approval of invoices from the construction loans. Thereupon, on motion duly made by Vickie Dodd and seconded by Angel Tennant, it was unanimously ordered that the said Draw Resolution be adopted.

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of Greater Marion Public Service District and that such actions remain in full force and effect and have not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 1st day of February, 2012.

Secretary

WV MUNICIPAL BOND COMMISSION
900 Pennsylvania Avenue
Suite 1117
Charleston, WV 25302
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: February 1, 2013

ISSUE: Greater Marion Public Service District
Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program)

ADDRESS: P O Box 237, Carolina, WV 26563 COUNTY: Marion

PURPOSE OF ISSUE:
New Money: X
Refunding:

REFUNDS ISSUE(S) DATED:

ISSUE DATE: February 1, 2013
CLOSING DATE: February 1, 2013
ISSUE AMOUNT: $1,663,080
RATE: 0% (0.5% admin fee)
1ST DEBT SERVICE DUE: September 1, 2014
1ST PRINCIPAL DUE: September 1, 2014
1ST DEBT SERVICE AMOUNT $1,316.00
PAYING AGENT: Municipal Bond Commission

BOND COUNSEL:
Firm: Steptoe & Johnson PLLC
Contact John Stump, Esquire
Phone: (304) 353.8196

UNDERWRITERS COUNSEL
Firm: Jackson Kelly, PLLC
Contact: Samme Gee, Esquire
Phone: (304) 340-1318

CLOSING BANK:
Bank: Branch Banking & Trust
Contact: Brian Chenoweth
Phone: 304.363.0266

ESCROW TRUSTEE:
Firm:
Contact:
Phone:

KNOWLEDGEABLE ISSUER CONTACT
Contact: Carol Brooks
Position: Manager
Phone: 304.287.2244

OTHER:
Agency: WV Department of Environmental Protection
Contact: Rosalie Brodersen
Position: Program Manager
Phone: 304.926.0499 x 1608

DEPOSITS TO MBC AT CLOSE
By: ____ Wire ____ Check

____	Accrued Interest:	$
____	Capitalized Interest:	$
____	Reserve Account:	$
____	Other:	$

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: ____ Wire ____ Check ____ IGT

____	To Escrow Trustee	$
____	To Issuer	$
____	To Cons. Invest. Func	$
____	To Other: ____	$

NOTES: A portion of the Series 2013 A Bonds Reserve Account will be funded over 10 years in an amount of $766.44/year. In addition, the Issuer has covenanted to transfer the Series 1999 A Bonds Reserve Account, the Series 1999 B Bonds Reserve Account and the Series 2000 Bonds Reserve Account to the Series 2013 A Bonds Reserve Account upon maturity of the Series 1999 A, Series 1999 B and Series 2000 Bonds respectively.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED:
TRANSFERS REQUIRED:

Greater Marion PSD

How to FUND THE Reserve

series	2013 A
lender	SRF
date	2/1/2013
amount	1,663,080
interest	0%
admin	0.50%
term	40 yrs

		Portion Funded over 10 yrs	transfers from Prior debt Reserves	Amount in 2013 Reserve
2013				
2014	2,632	383.20		383.20
2015	5,264	766.40		1,149.60
2016	5,264	766.40		1,916.00
2017	5,264	766.40		2,682.40
2018	5,264	766.40		3,448.80
2019	5,264	766.40		4,215.20
2020	5,264	766.40		4,981.60
2021	10,264	766.40	20,000.00	25,748.00
2022	25,264	766.40	from 1999 A	26,514.40
2023	26,220	766.40		27,280.80
2024	27,664	383.20		27,664.00
2025	27,664			27,664.00
2026	27,664			27,664.00
2027	27,664			27,664.00
2028	27,664			27,664.00
2029	27,664			27,664.00
2030	27,664			27,664.00
2031	27,664	transfer 2000	13,332.00	40,996.00
2032	37,744	reserve		40,996.00
2033	41,000			40,996.00
2034	41,000			40,996.00
2035	41,000			40,996.00
2036	41,000			40,996.00
2037	41,000			40,996.00
2038	41,000			40,996.00
2039	41,000	transfer 1999 B	43,872.00	84,868.00
2040	84,868	reserve	from 1999 B	84,868.00
2041	84,868			84,868.00
2042	84,868			84,868.00
2043	84,868			84,868.00
2044	84,868			84,868.00
2045	84,868			84,868.00
2046	84,868			84,868.00
2047	84,868			84,868.00
2048	84,868			84,868.00
2049	84,868			84,868.00
2050	84,868			84,868.00
2051	84,868			84,868.00
2052	2,644			84,868.00
		7,664.00	77,204.00	84,868.00

WV MUNICIPAL BOND COMMISSION
900 Pennsylvania Avenue
Suite 1117
Charleston, WV 25302
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 2/1/2013

ISSUE: Greater Marion Public Service District
Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program)

ADDRESS: P O Box 237, Carolina, WV 26563 COUNTY: Marion

PURPOSE OF ISSUE:
New Money: X
Refunding:

REFUNDS ISSUE(S) DATED:

ISSUE DATE: 2/1/2013
CLOSING DATE: 2/1/2013
ISSUE AMOUNT: $1,997,679
RATE: 0% (no admin fee)
1ST DEBT SERVICE DUE: 100% forgivable
1ST PRINCIPAL DUE: 100% forgivable
1ST DEBT SERVICE AMOUNT 100% forgivable
PAYING AGENT: Municipal Bond Commission

BOND COUNSEL:
Firm: Steptoe & Johnson PLLC
Contact John Stump, Esquire
Phone: (304) 353.8196

UNDERWRITERS COUNSEL
Firm: Jackson Kelly, PLLC
Contact: Samme Gee, Esquire
Phone: (304) 340-1318

CLOSING BANK:
Bank: BB&T
Contact: Brian Chenoweth
Phone: 304.363.0266

ESCROW TRUSTEE:
Firm:
Contact:
Phone:

KNOWLEDGEABLE ISSUER CONTACT
Contact: Carol Brooks
Position: Office Manager
Phone: 304.287.2244

OTHER:
Agency: WV Department of Environmental Protection
Contact: Rosalie Brodersen
Position: Program Manager
Phone: 304.926.0499 x 1608

DEPOSITS TO MBC AT CLOSE
By: ____ Wire ____ Check

____ Accrued Interest: $
____ Capitalized Interest: $
____ Reserve Account: $
____ Other: $

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: ____ Wire ____ Check ____ IGT

____ To Escrow Trustee $
____ To Issuer $
____ To Cons. Invest. Func $
____ To Other: ____ $

NOTES: Series 2013 B Bonds are forgivable. No accounts will be set up at the MBC.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED:
TRANSFERS REQUIRED:

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

Branch Banking and Trust Company, Fairmont, West Virginia, hereby accepts appointment as Depository Bank in connection with the Bond Resolution of Greater Marion Public Service District (the "Issuer") adopted January 19, 2013, and the Supplemental Resolution of the Issuer adopted January 19, 2013 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), and Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), both dated February 1, 2013, issued in the respective principal amounts of $1,663,080 and $1,997,679 (collectively, the "Bonds"), and agrees to serve as Depository Bank in connection with the Bonds, all as set forth in the Bond Legislation.

WITNESS my signature on this 1st day of February, 2013.

BRANCH BANKING AND TRUST COMPANY

By: Allena M Shingleton, VP
Its: Authorized Officer

439080.00002

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

ACCEPTANCE OF DUTIES AS REGISTRAR

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the Greater Marion Public Service District Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), issued in the principal amount of $1,663,080 and Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), issued in the principal amount of $1,997,679 (collectively, the "Bonds"), and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 1st day of February, 2013.

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

439080.00002

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

CERTIFICATE OF REGISTRATION OF BONDS

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of Greater Marion Public Service District (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program), of the Issuer, dated February 1, 2013, in the principal amount of $1,663,080, numbered AR-1, and the single, fully registered Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), of the Issuer, dated February 1, 2013, in the principal amount of $1,997,679, numbered BR-1, were registered as to principal only in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of The Huntington National Bank, as Registrar.

WITNESS my signature on this 1st day of February, 2013.

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

439080.00002

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 1st day of February, 2013, by and between GREATER MARION PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia (the "Issuer"), and THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $1,663,080 Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program) and its $1,997,679 Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), each in fully registered form (collectively, the "Bonds"), pursuant to the Bond Resolution of the Issuer duly adopted January 19, 2013, and the Supplemental Resolution of the Issuer duly adopted January 19, 2013 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exclusion of interest on the Bonds from gross income for federal income tax purposes, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen

signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Bond Legislation, the terms of the Bond Legislation shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Bond Legislation will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: Greater Marion Public Service District
Post Office Box 237
Carolina, West Virginia 26563
Attention: Chairman

REGISTRAR: The Huntington National Bank
One Huntington Square
Charleston, West Virginia 25301
Attention: Corporate Trust Department

8. The Registrar shall not discriminate on the basis of race, color, national origin or sex in the performance of this Agreement. The Registrar shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the Registrar to carry out these requirements is a material breach of this Agreement which may result in the termination of this Agreement or other legal available remedies.

9. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Bond Legislation.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

GREATER MARION PUBLIC SERVICE DISTRICT

By: _____
Its: Chairman

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

439080.00002

EXHIBIT A

Bond Legislation included in bond transcript as Documents Nos. 1 and 2.

SCHEDULE OF COMPENSATION

Huntington

Huntington Wealth Advisors
900 Lee Street - 2nd Floor I WE3013 I Charleston, West Virginia 2530

STATEMENT OF REGISTRAR'S FEES
Invoice Date February 1, 2013

Greater Marion Public Service District
Account Number 6089001809

Greater Marion Public Service District
Sewer Revenue Bonds, Series 2013 A
c/o John C. Stump
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

****

FEE CALCULATION FOR February, 2013

****

TOTAL AMOUNT	$ 500.00
TOTAL DUE	**$ 500.00**

MAIL CHECK TO:
THE HUNTINGTON NATIONAL BANK
ATTN: BARRY GRIFFITH – WE3013
PO BOX 633
CHARLESTON, WV 25322-0633

PLEASE INCLUDE A COPY OF THIS INVOICE WITH YOUR PAYMENT

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT
Barry Morgan Griffith at (304) 348-5035

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STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DIVISION OF WATER AND WASTE MANAGEMENT
601 57TH STREET SE
CHARLESTON, WV 25304-2345

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
WATER POLLUTION CONTROL PERMIT

NPDES PERMIT NO.: WV0080764
SUBJECT: Sewage Collection System

ISSUE DATE: February 28, 2010
EFFECTIVE DATE : March 28, 2010
EXPIRATION DATE: February 25, 2015
SUPERSEDES: Permit No. WV0080764 dated May 27, 2005

LOCATION: IDAMAY (City) Marion (County) West Fork River (Drainage Basin)

See the next page for a list of Outlets.

TO WHOM IT MAY CONCERN:

This is to certify that: GREATER MARION PSD
PO BOX 237
CAROLINA, WV 26563

is hereby granted a West Virginia NPDES Water Pollution Control Permit to:
to operate and maintain an existing sewage collection system consisting of 5,229 linear feet of eight (8) inch gravity sewer line; 15,351 linear feet of six (6) inch gravity sewer line; 13,387 linear feet of four (4) inch gravity sewer line; 11, 877 linear feet of eight (8) inch vacuum sewer line; 5,387 linear feet of six (6) inch vacuum sewer line; 17,367 linear feet of four (4) inch vacuum sewer line; various vacuum sewer pits and lifts; 59 manholes; various cleanouts and all other necessary appurtenances.

The collection system serves approximately 430 customers of the Kellytown, Carolina and Idamay areas of the Greater Marion PSD and conveys sewage to the Town of Worthington sewage collection and treatment system for ultimate treatment and discharge into the West Fork River (9.5 miles from its mouth) of the Monongahela River.

To acquire, construct, install, operate and maintain a wastewater collection system improvements project to be comprised of approximately 70 linear feet of 10 inch diameter gravity sewer line, 17,740 linear feet eight of (8) inch diameter gravity sewer line, 4,800 linear feet of six (6) inch diameter gravity sewer line, necessary manholes and cleanouts, one (1) 130 GPM sewage pump station with four (4) 40 hp pumps, one (1) 250 GPM sewage pump station with two (2) 20 hp pumps, approximately 6,230 linear feet of eight (8) inch diameter force main, 6,800 linear feet of six (6) inch diameter force main, 8,410 linear feet of four (4) inch diameter force main and all requisite appurtenances; with discharge to the Town of Worthington sewage collection and treatment system.

These facilities are to replace and upgrade the existing communities of Carolina and Idamay sewage vacuum collection systems.

This permit is subject to the following terms and conditions :
The information submitted on and with Permit Application No. WV0080764 dated the 21st day of November 2009, and Permit Modification Application No. WV0080764-A dated the 29th day of July 2009 is all hereby made terms and conditions of this Permit with like effect as if all such permit application information were set forth

herein and with other conditions set forth in Sections A, B, C, and Appendix A.

WASTEWATER COLLECTION SYSTEM IMPROVEMENTS PROJECT TO BE CONSTRUCTED IN ACCORDANCE WITH:

Plans, Specifications, and Reports:
Date Approved: January 8, 2010
Prepared by: RK&K Engineers
Engineers and Environmental Consultants
1 Grand Central Park, Suite 2040
Keyser, WV 26726
Title: Greater Marion Public Service District
Marion County, West Virginia
Carolina/Idamay Sewer Collection System Replacement Project

The wastewater collection system improvements project shall, further, be subject to the terms and conditions of the Bureau for Public Health, Office of Environmental Health Services, Permit No. 18,483, dated the 8th day of January 2010.

The validity of this permit is contingent upon the payment of the applicable annual permit fee, as required by Chapter 22, Article 11, Section 10 of the Code of West Virginia.

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 12/20/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Bill Bailey Insurance Agency
701 Highland Avenue
P. O. Box 246
Williamstown, WV 26187

INSURED Greater Marion PSD
200 Jackson Street
Fairmont, WV 26554

CONTACT NAME: Renee Shotwell
PHONE (A/C, No, Ext): 304.375.4900 FAX (A/C, No): 304.375.2162
E-MAIL ADDRESS: rshotwell@bb-ins.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : American Alternative Insurance	
INSURER B :	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

COVERAGES CERTIFICATE NUMBER: WV Water Development REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC	X		GPPA-PF-6052426-02	11/01/2012	11/01/2013	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 1,000,000 $ 10,000 $ 3,000,000 $ 3,000,000 $ 3,000,000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
	UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N N / A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ $ $

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

WV Water Development Authority
180 Association Drive
Charleston, WV 25311

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Renee D. Shotwell

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west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street SE
Charleston, WV 25304
Phone: (304) 926-0495
Fax: (304) 926-0496

Earl Ray Tomblin, Governor
Randy C. Huffman, Cabinet Secretary
dep.wv.gov

June 12, 2012

Rummel, Klepper & Kahl

RECEIVED
JUN 18 2012

Vicki Dodd, Chairperson
Greater Marion Public Service District
44 Aberdean Drive
Worthington, WV 26591

RE: Greater Marion PSD
Carolina/Idamay Collection System
SRF No. C-544251-03

Dear Ms. Dodd :

The plans and specifications for the above referenced project are hereby approved.

This approval DOES NOT constitute authority to advertise for bids. You will be advised by separate letter from this agency as to when such an advertisement can be initiated.

Please be advised it will be necessary to issue an addendum to the contract documents prior to opening of bids to include the current State and Federal Labor Wage Determinations. This and all addenda and revisions to the contract documents must be electronically sent to this office for approval and issued to plan holders five (5) days prior to bid opening. Failure to submit addenda in a timely manner will automatically nullify approval to open bids. Any addenda issued inside the five (5) day period prior to the bid opening must include an automatic extension to the bid opening date of a minimum of seven (7) days.

If any questions arise, please contact Robert Coontz, P.E. at (304) 457-4588, ext.3209.

Sincerely,

Katheryn Emery

Katheryn Emery, P. E.
Program Manager
Clean Water SRF Program

KE/rc

cc: Dave Vanscoy, P.E, Rummel, Klepper & Kahl, LLP ✓

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

CAPITOL AND WASHINGTON STREETS 1 DAVIS SQUARE, SUITE 200 CHARLESTON, WV 25301
TELEPHONE (304) 558-2981

PERMIT

(Sewer)
PROJECT: Carolina & Idamay Sewer Replacement **PERMIT NO.:** 18,483

LOCATION: Carolina, Idamay **COUNTY:** Marion **DATE:** 1-8-2010

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that

Greater Marion Public Service District
P. O. Box 237
Carolina, West Virginia 26563

is hereby granted approval to: install approximately 70 LF of 10"; 17,740 LF of 8"; 4,800 LF of 6" sewer line; necessary manholes and cleanouts; one (1) 130 GPM sewage pump station with four (4) 40 hp pumps; one (1) 250 GPM sewage pump station with two (2) 20 hp pumps; approximately 6,230 LF of 8"; 6,800 LF of 6"; 8,410 LF of 4" force main; with discharge to the Town of Worthington sewage system.

Facilities are to replace and upgrade the existing Communities of Carolina and Idamay sewage vacuum collection systems.

The Environmental Engineering Division of the **OEHS-Philippi District Office, (304) 457-2296,** is to be notified when construction begins.

Validity of this permit is contingent upon conformity with plans, specifications, application forms, and other information submitted to the West Virginia Bureau for Public Health.

FOR THE DIRECTOR

William S. Herold, Jr., P.E., Assistant Manager
Infrastructure and Capacity Development
Environmental Engineering Division

WSH:bms

pc: Rummel, Klepper & Kahl, LLP
Katheryn Emery, P.E., DEP
James W. Ellars, P.E.
Amy Swann, PSC
Marion County Health Department
OEHS-EED Philippi DO

RECEIVED
JAN 13 2010

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

350 CAPITOL STREET, ROOM 313 CHARLESTON, WV 25301-3713
TELEPHONE (304) 558-2981

PERMIT

(Sewer)
PROJECT: Carolina & Idamay Sewer Replacement **PERMIT NO.:** 19,026

LOCATION: Carolina, Idamay **COUNTY:** Marion **DATE:** 5-9-2012

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that

Greater Marion Public Service District
P. O. Box 237
Carolina, West Virginia 26563

is hereby granted approval to: amend and modify Permit No. 18,483 for the sewer facilities to replace and upgrade the existing Communities of Carolina and Idamay sewage vacuum collection systems. The permit is extended to May 9, 2013.

Note: All unchanged conditions and requirements of Permit No. 18,483 remain in effect.

The Environmental Engineering Division of the **OEHS-Philippi District Office, (304) 457-2296**, is to be notified when construction begins.

Validity of this permit is contingent upon conformity with plans, specifications, application forms, and other information submitted to the West Virginia Bureau for Public Health.

FOR THE DIRECTOR

William S. Herold, Jr., P.E., Assistant Manager
Infrastructure and Capacity Development
Environmental Engineering Division

WSH:snj

pc: Rummel, Klepper & Kahl, LLP
Jefferson Brady, P.E., DEP
Ingrid Ferrell, PSC
Amy Swann, PSC
Marion County Health Department
OEHS-EED Philippi DO

State of West Virginia
Earl Ray Tomblin
Governor

Office of the Governor
State Capitol
1900 Kanawha Boulevard, East
Charleston, WV 25305

Telephone: (304) 558-2000
Toll Free: 1-888-438-2731
FAX: (304) 342-7025
www.governor.wv.gov

July 31, 2012

Commissioner Burley "Butch" Tennant
President
Marion County Commission
200 Jackson Street, Room 403
Fairmont, West Virginia 26554

Dear Commissioner Tennant:

I am pleased to inform you that I have approved the Marion County Commission project application in the amount of $1,250,000 for Appalachian Regional Commission (ARC) assistance, and I am forwarding the project for the Commission's review.

The project will replace the existing vacuum collection system in the communities of Carolina and Idamay in Marion County with a gravity collection system. The current system experiences repeated system failures resulting in raw sewage spilling into homes and streets in the communities. The project will serve 427 existing residential and commercial customers.

You must not proceed with this project until you have been officially notified that it has been approved by the Commission.

I am pleased to work with you to make this improvement a reality for the citizens of West Virginia.

With warmest regards,

Earl Ray Tomblin
Governor

ERT:jeb

STATE OF WEST VIRGINIA

APPALACHIAN REGIONAL COMMISSION GRANT

THIS IS TO CERTIFY THAT A GRANT OF $1,250,000 HAS BEEN RECOMMENDED TO THE *Marion County Commission* FOR THE GREATER MARION PSD SEWER LINE REPLACEMENT PROJECT

Earl Ray Tomblin

EARL RAY TOMBLIN
GOVERNOR

LITHO. IN U.S.A.

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IC-2
(03/11)

GRANT AGREEMENT
(C-544251-03/2012S-1320)

This Grant Agreement entered into by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority"), at the direction of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council"), and the GREATER MARION PUBLIC SERVICE DISTRICT (the "Governmental Agency").

RECITALS

WHEREAS, the Council has authorized the Authority to make a grant to the Governmental Agency in the amount not to exceed $1,025,000 (the "Grant") for the purposes of the design, acquisition or construction of a project for which a preliminary application has been submitted and approved by the Council;

WHEREAS, the Governmental Agency wishes to accept the Grant upon such terms and conditions as are hereinafter set forth for the purposes of designing, acquiring or constructing the project described in Exhibit A attached hereto and incorporated herein by reference (the "Project");

WHEREAS, this Grant Agreement sets forth the Council, the Authority and the Governmental Agency's understandings and agreements with regard to the Grant.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Authority and the Governmental Agency hereby agree as follows:

TERMS

1. Prior to the distribution of the Grant, the Governmental Agency shall provide the Authority with a Project budget and an anticipated monthly draw schedule reflecting the receipt dates and amounts from other funding sources. The Project budget shall not be amended unless the Governmental Agency has received the prior written consent of the Council.

2. The Authority shall advance the Council's share of the Project costs from the Grant from time to time upon receipt of a requisition evidencing the costs incurred, which requisition must be satisfactory to the Authority. Unless agreed to by the Council prior to the commencement of construction, the Grant shall be the last dollars expended on the Project.

3. The monthly requisition will also set forth (i) the amounts requested for that requisition period from all other funding agencies, and (ii) the amounts advanced for the Project to date from all other funding agencies.

4. The Governmental Agency will use the proceeds of the Grant only for the purposes specifically set forth in Exhibit A.

5. The Authority shall wire the approved requisition amount using the wiring instructions provided in Exhibit B, unless the Council and Authority are provided replacement instructions in writing.

6. The Governmental Agency shall comply with and is bound by the Council's rules set forth as Title 167, Series 1 and more particularly Section 5.9 with respect to the sale of the Project.

7. The Governmental Agency acknowledges that the Grant may be reduced, from time to time, to reflect actual Project costs and availability of other funding.

8. The Governmental Agency shall list the Grant provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project.

9. This Grant Agreement shall be governed by the laws of the State of West Virginia.

IN WITNESS WHEREOF, the parties hereto have caused this Grant Agreement to be executed by the respective duly authorized officers as of the date executed below by the Authority.

GREATER MARION PUBLIC SERVICE DISTRICT

By: _____
Its: Chairman
Date: February 1, 2013

(SEAL)

Attest: _____
Its: Secretary

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: _____
Its: Executive Director
Date: February 1, 2013

(SEAL)

Attest: _____
Its: Authorized Officer

Exhibit A

Project Description

The Project consists of construction and acquisition of improvements and extensions to the existing public sewerage system of the Governmental Agency, consisting of construction of a gravity system to replace the vacuum system, together with all necessary appurtenances.

Number of Proposed New Customers to Be Served: 0
Location: N/A

[TO BE PLACED ON LETTERHEAD]

Exhibit B

Wiring Instructions

Greater Marion Public Service District
44 Aberdean Drive
Worthington, WV 26591

Payor:	**West Virginia Water Development Authority**
Source:	**Grant Proceeds**
Amount:	**$_____**
Date:	**_____**
Form:	**Electronic Funds Transfer**
Payee:	**Greater Marion Public Service District** **44 Aberdean Drive, Worthington, WV 26591**
Contact Name:	**Carol Brooks, Office Manager**
Telephone:	**(304) 287-2244**
Bank Name:	**Branch Banking & Trust Company**
Bank Street Address:	**2669 White Hall Blvd, White Hall, WV 26554**
Bank Contact:	**Brian Chenoweth**
Telephone:	**(304) 363-0266**
ABA:	**051503394**
Account #:	**0005177559581**
Account:	**Series 2013 Bonds Construction Trust Fund**

WEST VIRGINIA
Water Development Authority
Celebrating 37 Years of Service ***1974 - 2013***

February 1, 2013

Greater Marion Public Service District
Sewer Revenue Bonds, Series 2013 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B
(West Virginia SRF Program)

TO WHOM IT MAY CONCERN:

In reliance upon a certificate of Bennett & Dobbins, independent certified public accountants, and an opinion of Steptoe & Johnson PLLC, as bond counsel, stating that the coverage and parity requirements have been met, the undersigned duly authorized representative for the West Virginia Water Development Authority, the present holder of the Prior Bonds, hereinafter defined and described, hereby consents to the issuance of the Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program); and Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program), (collectively, the "Series 2013 Bonds"), in the respective principal amounts of $1,663,080 and $1,997,679, by Greater Marion Public Service District (the "Issuer"), under the terms of the resolution authorizing the Series 2013 Bonds on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's: (i) Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), dated June 23, 1999, issued in the original aggregate principal amount of $400,000 (the "Series 1999 A Bonds"); (ii) Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund), dated June 23, 1999, issued in the original aggregate principal amount of $1,700,000 (the "Series 1999 B Bonds"); and (iii) Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), dated December 11, 2000, issued in the original aggregate principal amount of $400,000 (the "Series 2000 Bonds"), (collectively, the "Prior Bonds").

Sheila A. Miller
Authorized Representative

439080.00002

1009 Bullitt Street, Charleston, WV 25301
Phone (304) 414-6500 / fax (304) 414-0865
www.wvwda.org

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

Chase Tower, Eighth Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.steptoe-johnson.com

Writer's Contact Information

CLOSING MEMORANDUM

To: **Financing Team**

From: **John C. Stump, Esquire**

Date: **February 1, 2013**

Re: **Greater Marion Public Service District,**
44 Aberdeen Drive, Carolina, WV 26591
Sewer Revenue Bonds, Series 2013 A (West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2013 B (West Virginia SRF Program)

DISBURSEMENTS TO THE GREATER MARION PUBLIC SERVICE DISTRICT

A.	Payor:	West Virginia Department of Environmental Protection
	Source:	Series 2013 A Bonds Proceeds
	Amount:	$406,968
	Form:	Wire
	Payee:	Greater Marion Public Service District
	ABA #:	051503394
	Account #:	0005177559581
	Bank:	Branch Banking & Trust Company 2669 White Hall Blvd, White Hall, WV 26554
	Contact:	Brian Chenoweth, 304.363.0266
	Account:	Series 2013 Bonds Construction Trust Fund
B.	Payor:	West Virginia Department of Environmental Protection
	Source:	Series 2013 B Bonds Proceeds
	Amount:	$84,528
	Form:	Wire
	Payee:	Greater Marion Public Service District
	ABA #:	051503394
	Account #:	0005177559581
	Bank:	Branch Banking & Trust Company 2669 White Hall Blvd, White Hall, WV 26554
	Contact:	Brian Chenoweth, 304.363.0266
	Account:	Series 2013 Bonds Construction Trust Fund

C.	Payor:	West Virginia Infrastructure Jobs & Development Council
	Source:	Infrastructure Fund Grant Proceeds
	Amount:	$154,077.59
	Form:	Wire
	Payee:	Greater Marion Public Service District
	ABA #:	051503394
	Account #:	0005177559581
	Bank:	Branch Banking & Trust Company 2669 White Hall Blvd, White Hall, WV 26554
	Contact:	Brian Chenoweth, 304.363.0266
	Account:	Series 2013 Bonds Construction Trust Fund

2012S-1320

RESOLUTION OF THE GREATER MARION PUBLIC SERVICE DISTRICT APPROVING INVOICES RELATING TO SERVICES FOR THE SEWER SYSTEM IMPROVEMENT PROJECT AND AUTHORIZING PAYMENT THEREOF,

WHEREAS, the Greater Marion Public Service District, has reviewed the invoices attached in relation to the Project funded by the West Virginia Infrastructure & Jobs Development Council (IJDC); Appalachian Regional Commission ("ARC"); and the Clean Water State Revolving Fund ("SRF") find as follows:

a) That none of the items for which payment is proposed to be made has formed the basis for any disbursement theretofore made.

b) That each item for which the payment is proposed to be paid is or was necessary in connection with the Project and constitutes a Cost of the project.

c) That each of such costs has been otherwise properly incurred.

d) That the payment for each of the items proposed is due and owing.

NOW, THEREFOR, BE IT RESOLVED the Greater Marion Public Service District by as follows: There is hereby authorized and directed the payment of the attached invoices as follows:

Vendor	Total	SRF Loan [2013 A)	SRF Forgivable Loan [2013 B]	IJDC Grant	ARC Grant
DOH Permit	10,649.60	10,649.60	0.00	0.00	0.00
Steptoe & Johnson	26,000.00	13,000.00	13,000.00	0.00	0.00
Huntington Bank	500.00	0.00	500.00	0.00	0.00
Bennett & Dobbins	22,500.00	0.00	0.00	22,500.00	0.00
Bowles Rice	0.00	0.00	0.00	0.00	0.00
Kelsh Law Firm	12,000.00	0.00	0.00	12,000.00	0.00
RK&K	37,310.09	37,310.09	0.00	0.00	0.00
Region VI	13,271.76	0.00	0.00	13,271.76	0.00
Greater Marion PSD	506,120.83	346,008.00	71,028.00	89,084.83	0.00
Lands & ROWs	17,221.00	0.00	0.00	17,221.00	0.00
Total	645,573.19	406,967.60	84,528.00	154,077.59	0.00

**Total SRF Draw ($406,967.60 + $84,528.00 = $491,495.60 (rounded to $491,496) (13.4% of total SRF loans))*

ADOPTED BY the Greater Marion Public Service District on the 19th day of January, 2013

By: _____

Its: Chairman

SRF PAYMENT REQUISITION FORM

Rev 04/07/09

1. LOAN RECIPIENT/VENDOR:

NAME: Greater Marion PSD

ADDRESS:

~~300 Jackson St. Rm 403 Fairmont~~
~~44 Aberdean Dr. Worthington, WV 26591~~ WV 26554

FEIN: ~~26-4619149~~ 352260592

DUNS: 884206665

2. SRF #: C-544251-03

3. INVOICE NUMBER: 1

4. PERIOD COVERED BY THIS REQUEST (MO/DAY/YR)

FROM: (MO/DAY/YR) 9-12-08

TO: (MO/DAY/YR) 2-1-13

5. % of PHYSICAL CONSTRUCTION COMPLETION 0.0%

CLASSIFICATION	A) APPROVED BUDGET	B) PREVIOUS APPROVED	C) THIS REQUEST	D) TOTAL COLUMNS B&C	E) AGENCY USE ONLY SRF	E) AGENCY USE ONLY PF/G
1) CONSTRUCTION C-1	$ 1,403,375	$ -	$ -	$ -		
CONSTRUCTION C-2	$ 632,245	$ -	$ -	$ -		
CONSTRUCTION C-3	$ 749,000	$ -	$ -	$ -		
2) EQUIPMENT	$ -	$ -	$ -	$ -		
3) ENGINEERING a. Planning & Design	$ 404,699	$ -	$ 404,699	$ 404,699		404,699
b. Basic	$ 137,000	$ -	$ 29,750	$ 29,750		29,750
c. Inspection	$ 243,000	$ -	$ -	$ -		
d.Special AMP	$ 10,000	$ -	$ -	$ -		
e. Special Svcs	$ 44,290	$ -	$ 19,897	$ 19,897		19,897
4) LEGAL	$ -	$ -	$ -	$ -		
5) ACCOUNTING	$ -	$ -	$ -	$ -		
6) ADMINISTRATIVE	$ -	$ -	$ -	$ -		
7) CONTINGENCY	$ -	$ -	$ -	$ -		
8) MISCELLANEOUS	$ 10,650	$ -	$ 10,650	$ 10,650		10,650
9) RESERVE FUND	$ -	$ -	$ -	$ -		
10) CLOSING COSTS	$ 26,500	$ -	$ 26,500	$ 26,500		26,500
11) SUBTOTAL	$ 3,660,759	$ -	$ 491,496	$ 491,496		491,496
12) LESS PREVIOUSLY PAID				$ -		0
13) INVOICE AMOUNT				$ 491,496		491,496

14) [signature] 1-19-2013
AUTHORIZED SIGNATURE DATE
~~Adam Deeds~~, Chairman Vicki Dodd
TYPED OR PRINTED NAME AND TITLE

15) [signature] 1-18-2013
PERSON PREPARING FORM SIGNATURE DATE
Lea Wolfe
TYPED OR PRINTED NAME AND TITLE

AGENCY USE ONLY:

THIS REQUEST APPROVED BY:

John Rozen 1/25/13
PROJECT REVIEWER DATE

WV DEPARTMENT OF ENVIRONMENTAL PROTECTION

[signature] 1/25/13
AUTHORIZED OFFICER DATE

State of West Virginia

WATER DEVELOPMENT AUTHORITY

180 Association Drive, Charleston, WV 25311-1217
(304) 558-3612 - (304) 558-0299 (Fax)
Internet: www.wvwda.org - Email: contact@wvwda.org

Date 1/31/13 Time 1:55 LGA Greater Marion PSD Program CWIUC

NAME	COMPANY, AGENCY, OR ORGANIZATION	TELEPHONE	FAX	E-MAIL
Sheila Miller	WDA	304-414-6500	304-414-0865	smiller@wvwda.org
Summe Lee	Jackson Kelly PLLC	304 340 1318	304 340 1227	slee@jacksonkelly.com
ROSE BRODERSEN	WV DEP	304 926 0499 x1608	304 926 0496	rosalie.m.brodersen@wv.gov
John Stump	Steptoe & Johnson PLLC	304.353.8196	304.353.8180	john.stump@steptoe-johnson.com

The Authority requests that the following information concerning the individual who will be responsible for sending Debt Service Payments to the Municipal Bond Commission be provided. (If that individual is in attendance, he/she should also sign above.) Please Print:

Name Carol Brooks, Office Manager Telephone 304.287.2244 E-Mail N/A

Address P.O. Box 237, Carolina, WV 26563

REMINDER: As a participant in this program, the Local Governmental Agency (LGA) agrees and is required to submit annually to the WDA a copy of its audited financial statements and a copy of its adopted budget. Also, pursuant to the Loan Agreement and the NonArbitrage Certificate (both of which are contained in the bond transcript) you are to provide annually to the WDA a rebate calculation certificate or an exception opinion showing whether a rebate amount is due to the US Government under arbitrage requirements in Section 148(f) of the US Internal Revenue Code, 1986, as amended.

FORM OF RESOLUTION

WHEREAS, Greater Marion Public Service District (the "Issuer") is a governmental body and political subdivision of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the "Bonds");

WHEREAS, the Issuer makes monthly debt service payments on the Bonds by check to the West Virginia Municipal Bond Commission (the "MBC") which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

WHEREAS, the MBC may accept such monthly payments by electronic funds transfer thereby eliminating delay in payments and lost checks;

WHEREAS, PURSUANT TO Chapter 13, Article 3, Section 5a, the MBC has established fees for its services (the "MBC Fee");

WHEREAS, the Issuer find and determines that it is in the best interest of the Issuer, its citizens and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic transfer with the State Treasurer **sweeping** the Issuer's account.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1) The monthly debt service payments on the Bonds, as set forth in Exhibit A, along with the MBC Fee, shall be made to the MBC by electronic transfer by the State Treasurer form the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.

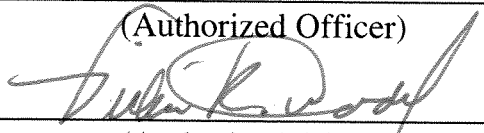
2) Chairman and Secretary are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.

3) This resolution shall be effective immediately upon adoption.

Adopted this 19th day of January, 2013.

(Authorized Officer)

(Authorized Officer)



(Authorized Officer)

GREATER MARION PUBLIC SERVICE DISTRICT

SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM) AND SERIES 1999 B (WEST VIRGINIA INFRASTRUCTURE FUND)

BOND RESOLUTION

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GREATER MARION PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF GREATER MARION PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $400,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), AND NOT MORE THAN $1,700,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1999 B (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENTS RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF GREATER MARION PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 16, Article 13A, Chapter 22C, Article 2 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

Section 1.02. Findings. It is hereby found, determined and declared that:

A. Greater Marion Public Service District (the "Issuer") is a public service district and a public corporation and political subdivision of the State of West Virginia in Marion County of said State.

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain improvements and extensions to the existing public sewerage facilities of the Issuer, consisting of a new vacuum sewage collection system connecting to the existing vacuum system of the Town of Worthington in the communities of Idamay, Carolina and Kelly Town in Marion County, together with all appurtenant facilities (collectively, the "Project"), which constitute properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (the Project and any further improvements or extensions thereto are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. The Issuer intends to permanently finance a portion of the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), in connection with the West Virginia Water Pollution Control Revolving Fund and the West Virginia Infrastructure Fund pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds in the total aggregate principal amount of not more than $2,100,000 in two series (collectively, the "Series 1999 Bonds"), being the Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), in the aggregate principal amount of not more than $400,000 (the "Series 1999 A Bonds"), and the Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund), in the aggregate principal amount of not more than $1,700,000 (the "Series 1999 B Bonds"), to permanently finance a portion of the costs of acquisition and construction of the Project. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 1999 Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Reserve Accounts (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, including the SRF Administrative Fee (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 1999 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the

performance of the things herein required or permitted, in connection with any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 1999 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of the Project is not less than 40 years.

F. It is in the best interests of the Issuer that its Series 1999 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and among the Issuer, the Authority and the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment (the "DEP"), and its Series 1999 B Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), both loan agreements in form satisfactory to the respective parties (collectively, the "Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

G. There are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

H. The estimated revenues to be derived in each year following completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System and the principal of and interest on the Series 1999 Bonds and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 1999 Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 1999 Bonds or such final order will not be subject to appeal or rehearing.

J. The Project has been reviewed and determined to be technically and financially feasible by the Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 1999 Bonds by those who shall be the Registered Owners of the

same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 1999 Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" means, collectively, Chapter 16, Article 13A, Chapter 22C, Article 2 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 1999 Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the Council under the Act.

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any temporary Chairman duly selected by the Governing Body.

"Bondholder," "Holder of the Bonds," "Holder," "Registered Owner" or any similar term whenever used herein with respect to an outstanding Bond or Bonds, means the person in whose name such Bond is registered.

"Bond Legislation," "Resolution," "Bond Resolution" or "Local Act" means this Bond Resolution and all orders and resolutions supplemental hereto or amendatory hereof.

"Bond Registrar" means the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

"Bonds" means, collectively, the Series 1999 Bonds and any bonds on a parity therewith subsequently authorized to be issued hereunder or by another resolution of the Issuer.

"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, except that the first Bond Year shall begin on the Closing Date.

"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 1999 Bonds for the proceeds or at least a de minimis portion thereof representing the purchase price of the Series 1999 Bonds from the Authority.

"Code" means the Internal Revenue Code of 1986, as amended, and the Regulations.

"Commission" means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia that succeeds to the functions of the Commission.

"Consulting Engineers" means Thrasher Engineering, Inc., Clarksburg, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System or portion thereof in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

"Costs" or "Costs of the Project" means those costs described in Section 1.02D hereof to be a part of the cost of acquisition and construction of the Project.

"Council" means the West Virginia Infrastructure and Jobs Development Council or any other agency of the State of West Virginia that succeeds to the functions of the Council.

"DEP" means the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment, or any other agency, board or department of the State that succeeds to the functions of the DEP.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns, which shall be a member of FDIC.

"FDIC" means the Federal Deposit Insurance Corporation and any successor to the functions of the FDIC.

"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.

"Grants" means all moneys received by the Issuer on account of any Grant for the Project.

"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, purchased pursuant to Article 8.01 hereof) or any Tap Fees, as hereinafter defined.

"Herein," "hereto" and similar words shall refer to this entire Bond Legislation.

"Independent Certified Public Accountants" 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 other purpose except keeping the accounts of the System in the normal operation of its business and affairs.

"Investment Property" means any security (as said term is defined in Section 165(g)(2)(A) or (B) of the Code), obligation, annuity contract, investment-type property or any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan, excluding, however, obligations the interest on which is excluded from gross income, under Section 103 of the Code, for federal income tax purposes other than specified private activity bonds as defined in Section 57(a)(5)(C) of the Code.

"Issuer" means Greater Marion Public Service District, a public service district, public corporation and political subdivision of the State of West Virginia in Marion County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means, collectively, the respective Loan Agreements heretofore entered, or to be entered, into by and among the Issuer, the Authority and the DEP, providing for the purchase of the Series 1999 A Bonds from the Issuer by the Authority, and by and between the Issuer and the Authority, on behalf of the Council, providing for the purchase of the Series 1999 B Bonds from the Issuer by the Authority, the

forms of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Net Proceeds" means the face amount of the Series 1999 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Reserve Accounts. 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 1999 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 or any other proceeds of the Series 1999 Bonds and is not acquired in order to carry out the governmental purpose of the Series 1999 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.

"Outstanding," when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered, except (i) any Bond cancelled by the Bond Registrar at or prior to said date; (ii) any Bond for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; and (iv) for purposes of consents or other action by a specified percentage of Bondholders, any Bonds registered to the Issuer.

"Parity Bonds" means additional Bonds issued under the provisions and within the limitations prescribed by Section 7.07 hereof.

"Paying Agent" means the Commission or other entity designated as such for the Series 1999 Bonds in the Supplemental Resolution.

"Private Business Use" means use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit; provided that use as a member of the general public shall not be taken into account.

"Project" means the Project as described in Section 1.02B hereof.

"Qualified Investments" means and includes any of the following:

(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 or Federal Savings and Loan Insurance Corporation, 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 Investment Management Board pursuant to Chapter 12, Article 6 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 excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registrar" means the Bond Registrar.

"Regulations" means temporary and permanent regulations promulgated under the Code or any predecessor to the Code.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established by the Section 5.01 hereof.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Series 1999 Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in the Reserve Accounts of the Series 1999 Bonds.

"Revenue Fund" means the Revenue Fund established by Section 5.01 hereof.

"Secretary" means the Secretary of the Governing Body of the Issuer.

" Series 1999 Bonds" means, collectively, the Series 1999 A Bonds and the Series 1999 B Bonds.

"Series 1999 A Bonds" means the Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), of the Issuer, authorized by this Resolution.

"Series 1999 A Bonds Construction Trust Fund" means the Series 1999 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 1999 A Bonds Reserve Account" means the Series 1999 A Bonds Reserve Account established in the Series 1999 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1999 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 1999 A Bonds in the then current or any succeeding year.

"Series 1999 A Bonds Sinking Fund" means the Series 1999 A Bonds Sinking Fund established by Section 5.02 hereof.

"Series 1999 B Bonds" means the Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund), of the Issuer, authorized by this Resolution.

"Series 1999 B Bonds Construction Trust Fund" means the Series 1999 B Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 1999 B Bonds Reserve Account" means the Series 1999 B Bonds Reserve Account established in the Series 1999 B Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1999 B Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 1999 B Bonds in the then current or any succeeding year.

"Series 1999 B Bonds Sinking Fund" means the Series 1999 B Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 1999 Bonds.

"SRF Administrative Fee" means any administrative fee required to be paid under the Loan Agreement for the Series 1999 A Bonds.

"SRF Program" means the State's Water Pollution Control Revolving Fund Program, under which the Authority purchases the water pollution control revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds

of a capitalization grant award from the United States Environmental Protection Agency and funds of the State.

"SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution or resolutions authorizing the sale of the Series 1999 Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 1999 Bonds, and not so included, may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation 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 and the respective Reserve Accounts.

"System" means the complete properties of the Issuer for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, as presently existing in its entirety or any integral part thereof, and shall include the Project and any additions, improvements and extensions thereto hereafter constructed or acquired for said system from any sources whatsoever.

"Tap Fees" means the fees, if any, paid by prospective customers of the System in order to connect thereto.

"West Virginia Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Chapter 31, Article 15A, Section 9 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

Additional terms and phrases are defined in this Resolution as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of $3,350,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 1999 Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the Authority, the DEP and the Council.

The cost of the Project is estimated to be $3,350,000, of which approximately $400,000 will be obtained from proceeds of the Series 1999 A Bonds, approximately $1,700,000 will be obtained from proceeds of the Series 1999 B Bonds, and approximately $1,250,000 will be obtained from a grant by the United States Department of Housing and Urban Development (Small Cities Block Grant through the State of West Virginia).

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 1999 Bonds, funding a reserve account for the Series 1999 Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 1999 Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued negotiable Series 1999 Bonds of the Issuer. The Series 1999 Bonds shall be issued in two series, each as a single bond, designated respectively as "Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program)," in the principal amount of not more than $400,000, and "Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund)," in the principal amount of not more than $1,700,000, and both shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 1999 Bonds remaining after funding of the Reserve Accounts (if funded from Bond proceeds) and capitalizing interest on the Series 1999 Bonds, if any, shall be deposited in or credited to the respective Bond Construction Trust Funds established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 1999 Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 1999 Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 1999 Bonds, if any, shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 1999 Bonds shall be issued in the form of a single bond for each series, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of each series of the Series 1999 Bonds. The Series 1999 Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal

installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall bear interest, if any, and shall be dated as set forth in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 1999 Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 1999 Bonds shall cease to be such officer of the Issuer before the Series 1999 Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 1999 Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 1999 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the forms set forth in Section 3.10 shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 1999 Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 1999 Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 1999 Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that such Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 1999 Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Bonds.

The registered Series 1999 Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 1999 Bonds or transferring the registered Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 1999 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 1999 Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No holder or holders of the Series 1999 Bonds shall ever have the right to compel

the exercise of the taxing power of the Issuer, if any, to pay the Series 1999 Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 1999 A Bonds and the Series 1999 B Bonds shall be secured forthwith equally and ratably with each other by a first lien on the Net Revenues derived from the System. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 1999 Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 1999 Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 1999 Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 1999 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 1999 Bonds to the original purchasers;

C. An executed and certified copy of the Bond Legislation;

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 1999 Bonds.

Section 3.10. Form of Bonds. The text of the Series 1999 Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 1999 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER MARION PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 1999 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That GREATER MARION PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Marion 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 West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, _____, as set forth on the "Schedule of Annual Debt Service" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, _____, as set forth on said EXHIBIT B.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and among the Issuer, the Authority and the DEP, dated _____, 199___.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public sewerage facilities

of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewerage facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on _____, 199____, and a Supplemental Resolution duly adopted by the Issuer on _____, 199____ (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation 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 Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 1999 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED _____, 199__, ISSUED CONCURRENTLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 1999 B BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) 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 Series 1999 B Bonds, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 1999 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, 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 a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the moneys in the Series 1999 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, 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 the Bonds, including the Series 1999 B Bonds; provided however, that so long as there exists in the Series 1999 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Series 1999 B Bonds, an amount at least

equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision 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.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, 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 at 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 the 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 the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and 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.

IN WITNESS WHEREOF, GREATER MARION PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated _____, 199__.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1999 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 199____.

ONE VALLEY BANK, NATIONAL ASSOCIATION, as Registrar

_____

Authorized Officer

(Form of)

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$		(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $_____

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

(FORM OF SERIES 1999 B BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER MARION PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND, SERIES 1999 B
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. BR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That GREATER MARION PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Marion 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 West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, _____, as set forth on the "Schedule of Annual Debt Service" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated _____, 199___.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public sewerage facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewerage facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the

"System." This Bond is 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 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on _____, 199____, and a Supplemental Resolution duly adopted by the Issuer on _____, 199____ (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation 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 Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED _____, 199__, ISSUED CONCURRENTLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 1999 A BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) 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 Series 1999 A Bonds, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 1999 B Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, 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 a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the moneys in the Series 1999 B Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, 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 on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Series 1999 A Bonds; provided however, that so long as there exists in the Series 1999 B Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Series 1999 A Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the

Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision 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.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, 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 at 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 the 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 the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and 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.

IN WITNESS WHEREOF, GREATER MARION PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated _____, 199__.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1999 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 199____.

ONE VALLEY BANK, NATIONAL ASSOCIATION, as Registrar

_____

Authorized Officer

(Form of)

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$		(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $_____

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 1999 Bonds shall be sold to the Authority, pursuant to the terms and conditions of the respective Loan Agreements. If not so authorized by previous resolution, the Chairman is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "EXHIBIT A" and made a part hereof, and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

Section 3.12. "Amended Schedule" Filing. Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority, the DEP and the Council a schedule in substantially the form attached to the respective Loan Agreements, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Series 1999 A Bonds Construction Trust Fund; and

(4) Series 1999 B Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with and shall be held by the Commission separate and apart from all other funds or accounts of the Commission and the Issuer and from each other:

(1) Series 1999 A Bonds Sinking Fund;

(2) Within the Series 1999 A Bonds Sinking Fund, the Series 1999 A Bonds Reserve Account;

(3) Series 1999 B Bonds Sinking Fund; and

(4) Within the Series 1999 B Bonds Sinking Fund, the Series 1999 B Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation 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, pay from the Revenue Fund the 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 Commission (i) commencing 3 months prior to the first date of payment of principal of the Series 1999 A Bonds, for deposit in the Series 1999 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 1999 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1999 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date; and (ii) on the first day of each month, commencing 3 months prior to the first date of payment of principal of the Series 1999 B Bonds, for deposit in the Series 1999 B Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 1999 B Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1999 B Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) commencing 3 months prior to the first date of payment of principal of the Series 1999 A Bonds, if not fully funded upon issuance of the Series 1999 A Bonds, for deposit in the Series 1999 A Bonds Reserve Account, an amount equal to 1/120th of the Series 1999 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 1999 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 1999 A Bonds Reserve Requirement; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 1999 B Bonds, if not fully funded upon issuance of the Series 1999 B Bonds, for deposit in the Series 1999 B Bonds Reserve Account, an amount equal to 1/120th of the Series 1999 B Bonds Reserve Requirement;

provided that, no further payments shall be made into the Series 1999 B Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 1999 B Bonds Reserve Requirement.

(4) 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, 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 VIII 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 moneys from the Renewal and Replacement Fund.

Moneys in the Series 1999 A Bonds Sinking Fund and the Series 1999 B Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 1999 A Bonds and the Series 1999 B Bonds, respectively, as the same shall become due. Moneys in the Series 1999 A Bonds Reserve Account and the Series 1999 B Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 1999 A Bonds and the Series 1999 B Bonds, respectively, as the same shall come due, when other moneys in the Series 1999 A Bonds Sinking Fund and the Series 1999 B Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 1999 A Bonds Sinking Fund, the Series 1999 A Bonds Reserve Account, the Series 1999 B Bonds Sinking Fund and the Series 1999 B Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the respective Bond Construction Trust Funds, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 1999 A Bonds and the Series 1999 B Bonds, respectively, and then to the next ensuing principal payment due thereon, all on a pro rata basis.

Any withdrawals from the Series 1999 A Bonds Reserve Account or the Series 1999 B Bonds Reserve Account which result in a reduction in the balance therein to below the respective Reserve Requirements shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 1999 Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate reserve account in an amount equal to the maximum amount of principal and interest which will become due in any year for account of the Bonds of such series, including such additional parity Bonds.

The Issuer shall not be required to make any further payments into the Series 1999 A Bonds Sinking Fund, the Series 1999 A Bonds Reserve Account, the Series 1999 B Bonds Sinking Fund or the Series 1999 B Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the respective aggregate principal amount of the Series 1999 A Bonds and the Series 1999 B Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 1999 Bonds, in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 1999 A Bonds Sinking Fund, the Series 1999 A Bonds Reserve Account, the Series 1999 B Bonds Sinking Fund and the Series 1999 B Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Moneys in the Series 1999 A Bonds Sinking Fund, the Series 1999 A Bonds Reserve Account, the Series 1999 B Bonds Sinking Fund and the Series 1999 B Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 1999 A Bonds Sinking Fund, the Series 1999 A Bonds Reserve Account, the Series 1999 B Bonds Sinking Fund and the Series 1999 B Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 1999 A Bonds and the Series 1999 B Bonds, respectively, under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if such day is not a business day, then the next succeeding business day) deposit with the Commission the required principal, interest and reserve payments with respect to the Series 1999 Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall also on the first day of each month (if such day is not a business day, then the next succeeding business day) deposit with the Commission the SRF Administrative Fee as set forth in Schedule Y attached to the Loan Agreement for the Series 1999 A Bonds.

C. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Loan Agreement for the Series 1999 A Bonds, and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of such calendar month.

D. 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.

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the 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 their respective charges and fees then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority at anytime, make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

F. The moneys 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.

G. If on any monthly payment date the 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 5.03, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

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

J. All Tap Fees shall be deposited by the Issuer, as received, in the Bond Construction Trust Fund, and following completion of the Project, shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from the sale of the Series 1999 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 1999 A Bonds, there shall first be deposited with the Commission in the Series 1999 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 1999 A Bonds for the period commencing on the date of issuance of the Series 1999 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. From the proceeds of the Series 1999 B Bonds, there shall first be deposited with the Commission in the Series 1999 B Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 1999 B Bonds for the period commencing on the date of issuance of the Series 1999 B Bonds and ending 6 months after the estimated date of completion of construction of the Project.

C. Next, from the proceeds of the Series 1999 A Bonds, there shall be deposited with the Commission in the Series 1999 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 1999 A Bonds Reserve Account.

D. Next, from the proceeds of the Series 1999 B Bonds, there shall be deposited with the Commission in the Series 1999 B Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 1999 B Bonds Reserve Account.

E. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 1999 A Bonds, such moneys shall be deposited with the Depository Bank in the Series 1999 A Bonds Construction Trust Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 1999 A Bonds.

F. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 1999 B Bonds, such moneys shall be deposited with the Depository Bank in the Series 1999 B Bonds Construction Trust Fund and applied solely to payment of

costs of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 1999 B Bonds.

G. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 1999 A Bonds shall be applied as directed by the DEP and any remaining proceeds of the Series 1999 B Bonds shall be applied as directed by the Council.

Section 6.02. Disbursements From the Bond Construction Trust Fund. A. On or before the Closing Date, the Issuer shall have delivered to the DEP and the Authority a report listing the specific purposes for which the proceeds of the Series 1999 A Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments of all Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 1999 A Bonds Construction Trust Fund (except for the costs of issuance of the Series 1999 A Bonds which shall be made upon request of the Issuer) shall be made only after submission to and approval from the DEP, of the following:

(1) a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement for the Series 1999 A Bonds, and

(2) a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

(a) None of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;

(b) Each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;

(c) Each of such costs has been otherwise properly incurred; and

(d) Payment for each of the items proposed is then due and owing.

B. The Issuer shall each month provide the Council with a requisition for the costs incurred for the Project, together with such documentation as the Council shall require. Payments of all Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 1999 B Bonds Construction Trust Fund (except for the costs of issuance of the Series 1999 B Bonds which shall be made upon request of the Issuer) shall be made only after submission to and approval from the Council, of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

(a) None of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;

(b) Each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;

(c) Each of such costs has been otherwise properly incurred; and

(d) Payment for each of the items proposed is then due and owing.

Pending such application, moneys in the respective Bond Construction Trust Funds shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation 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 Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 1999 Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 1999 Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 1999 Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 1999 Bonds, shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 1999 Bonds or the interest , if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 1999 A Bonds and the Series 1999 B Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the System. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 1999 Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the Final Order of the Public Service Commission of West Virginia entered March 29, 1999, in Case No. 98-0474-PSD-CN, and such rates are hereby adopted.

Section 7.05. Sale of the System. So long as the Series 1999 Bonds are outstanding and except as otherwise required by law or with the written consent of the DEP, the Authority and the Council, 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 fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of

the System shall, with respect to the Series 1999 Bonds, immediately be remitted to the Commission for deposit in the Sinking Funds, and, with the written permission of the DEP, the Authority and the Council, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 1999 Bonds. Any balance remaining after the payment of the Series 1999 Bonds and interest, if any, thereon shall be remitted to the Issuer by the 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 $10,000, the Issuer shall, by resolution duly adopted, 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 $10,000 but not in excess of $50,000, the Issuer shall first, determine upon consultation with the Consulting Engineers 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 of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amount required to be paid into said fund by other provisions of this Bond Legislation. 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 $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders 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 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and Section 7.07 hereof, 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 1999 Bonds. All obligations issued by the Issuer after the issuance of the Series 1999 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 1999 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 1999 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 1999 Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the DEP, the Authority and the Council prior written notice of its issuance of any other obligations to be used for the System, payable from the revenues of the System or from any grants, or any other obligations related to the Project or the System.

Section 7.07. Parity Bonds. No Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 1999 Bonds pursuant to this Bond Legislation, except with the prior written consent of the Authority, the DEP and the Council under the conditions and in the manner herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 1999 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 outstanding Bonds, or both such purposes.

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 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 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 Accountants, 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 Bond Legislation (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 Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

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 1999 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 1999 Bonds.

No Parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for in this Bond Legislation with respect to the

Bonds then Outstanding, and any other payments provided for in this Bond Legislation, 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 Bond Legislation.

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the DEP, the Authority and the Council, or their agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the DEP, the Authority and the Council such documents and information as they may reasonably require in connection with the acquisition, construction and installation of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the DEP, the Authority and the Council, or their agents and representatives, to inspect all records pertaining to the operation of the System at all reasonable times following completion of construction of the Project and commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

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 Bond or Bonds issued pursuant to this Bond Legislation 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 and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Governing Body. The Governing Body 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 Governing Body shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer shall file with the DEP, the Council, the Authority, or any other original purchaser of the Series 1999 Bonds, and shall mail in each year to any Holder or Holders of the Series 1999 Bonds, requesting the same, an annual report containing the following:

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

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation, and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto, to the extent legally required, and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 1999 Bonds, and shall submit said report to the DEP, the Council and the Authority, or any other original purchaser of the Series 1999 Bonds. Such audit report submitted to the DEP, the Authority and the Council shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Loan Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

The Issuer shall permit the DEP, the Authority and the Council, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction of the Project, the Issuer shall also provide the Authority and the Council, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the DEP, the Authority and the Council with respect to the System pursuant to the Act.

The Issuer shall provide the DEP with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in EXHIBIT E of the Loan Agreement for the Series 1999 A Bonds or as promulgated from time to time.

Section 7.09. Rates. Prior to the issuance of the Series 1999 Bonds, equitable rates or charges for the use of and service rendered by the System shall be 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 the 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, if any, on the Series 1999 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 1999 Bonds; provided that, in the event that amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 1999 A Bonds Reserve Account, the Series 1999 B Bonds Reserve Account and the reserve accounts for obligations on a parity with the Series 1999 Bonds are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 1999 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 1999 Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the DEP, the Authority and the Council within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the DEP, the Authority and the Council and to any Holder of any Bonds, within 30 days of adoption thereof, 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 DEP, the Authority and the Council and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached

to the respective Loan Agreements, and forward a copy of such report to the DEP, the Authority and the Council by the 10th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the DEP, the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the DEP, the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

The Issuer shall provide and maintain competent and adequate resident engineering services satisfactory to the DEP, the Authority and the Council covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such resident engineer shall certify to the DEP, the Authority, the Council and the Issuer at the completion of construction that construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

The Issuer shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt. The Issuer shall submit a "Performance Certificate," a form of which is attached to the Loan Agreement for the Series 1999 A Bonds as Exhibit A, to the DEP within 60 days of the end of the first year after the Project is completed.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the SRF Regulations, to the DEP when the Project is 90% completed.

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 25% complete and shall retain such a certified operator(s) to operate the System during the entire term of the Loan Agreement. The Issuer shall notify the DEP in writing of the certified operator employed at the 25% completion stage.

Section 7.12. 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, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, 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 30 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. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, 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 of the System and any services and facilities of the water system, if so owned by the Issuer, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services of either system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law. 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 7.14. No Free Services. Except as required by law, 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 of the Issuer shall avail itself 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 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the

System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) 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 or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

(2) 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.

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the construction contract and to be required of each contractor contracting directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(4) 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.

(5) BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

(6) 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.

B. The Issuer shall require all contractors engaged in the construction of the Project to furnish a performance bond and a payment bond, each in an amount equal to 100% of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract.

The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided that the amounts and terms of such coverage are satisfactory to the Authority and the DEP. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.16. 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 Division 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 Division 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 7.17. Completion and Operation of Project; Permits and Orders. The Issuer will complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards.

The Issuer has entered into a transmission and treatment agreement with the Town of Worthington (the "Town"), whereby the Town will treat the wastewater of the Issuer delivered to the Town's treatment plant. The Issuer has also entered into an operation and maintenance agreement with the Town, whereby the Town will operate and maintain the System.

The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia necessary for the acquisition and construction of the Project and the operation of the System.

Section 7.18. 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 1999 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 1999 Bonds during the term thereof is, under the terms of the Series 1999 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) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 1999 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 1999 Bonds during the term thereof is, under the terms of the Series 1999 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 1999 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 1999 Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of the portion of the Project to which such Private Business Use is related. All of the foregoing shall be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of 5% of the Net Proceeds of the Series 1999 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 1999 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will timely file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 1999 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 any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest on the Series 1999 Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 1999 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 1999 Bonds.

Section 7.20. Compliance with Loan Agreement and Law. The Issuer agrees to comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the DEP and the Council with copies of all documents submitted to the Authority.

The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the DEP, the Authority, the Council or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

Section 7.21. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts. A. The Issuer shall, simultaneously with the delivery of the Series 1999 Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP and the Council for written approval. The Issuer shall obtain the written approval of the DEP and the Council before expending any proceeds of the Series 1999 Bonds held in "contingency" as set forth in the respective Schedules attached to the Loan Agreement. The Issuer shall also obtain the written approval of the DEP and the Council before expending any proceeds of the Series 1999 Bonds made available due to bid or construction or project underruns.

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8.01. Investments. Any moneys held as a part of the funds and accounts created by this Bond Legislation other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond Legislation, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys 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 investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission 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 Depository Bank, or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 1999 Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest, if any, on the Series 1999 Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 1999 Bonds which would cause the Series 1999 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take any and 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 1999 Bonds) so that the interest, if

any, on the Series 1999 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 8.03. Tax Certificate and Rebate. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar 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 1999 Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 1999 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 Bond Legislation.

If the Issuer is subject to the rebate requirements of Section 148(f) of the Code, and not exempted from such requirements, the Issuer covenants to make, or cause to be made, all rebate calculations, computations and payments in the time, manner and as required in Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 1999 Bonds and otherwise covenants and agrees to comply with the provisions of such Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 1999 Bonds. In the event of a failure to pay the correct rebate amount, the Issuer will pay, from any lawful sources available therefor, to the United States such amount, plus a penalty equal to 50% of the rebate amount not paid when required to be paid, plus interest on that amount, unless waived. In order to provide for the administration of this paragraph, the Issuer may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Issuer may deem appropriate.

The Issuer shall furnish to the Authority, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Authority. In addition, the Issuer shall cooperate with the Authority in preparing any required rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer.

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation or, if the Issuer qualifies for any exception to rebate, the Issuer shall submit a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Series 1999 Bonds subject to rebate. The Issuer shall also furnish the

Authority, at any time, such additional information relating to rebate as may be reasonably requested by the Authority, including information with respect to earnings on all funds constituting "gross proceeds" of the Series 1999 Bonds (as such term "gross proceeds" is defined in the Code).

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 1999 Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 1999 Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 1999 Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 1999 Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, Registrar or any other Paying Agent or a Holder of a Bond; or

(3) 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.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) 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 Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 1999 A Bonds shall be on a parity with the Holders of the Series 1999 B Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and

charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond 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 or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

The receiver so appointed shall forthwith, directly or by his or her or its agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate and 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 exercise.

Whenever all that is due upon the Bonds and interest thereon and under any covenants of this Bond Legislation for reserve, sinking or other funds 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 Bond Legislation 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 Registered Owner of any Bonds 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 or her or it, 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 may be 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 Registered Owners of the Bonds. 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 completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond

Legislation, and the title to and ownership of the 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, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 1999 Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 1999 Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 1999 Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 1999 Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 1999 Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 1999 Bonds shall be made without the consent in writing of the Registered Owners of the Series 1999 Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein respectively pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds, required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest, if any, on the Series 1999 Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 1999 Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, the Supplemental Resolution, or the Series 1999 Bonds.

Section 11.04. Headings, Etc. The headings and catchlines of the articles, sections and subsections hereof are for convenience of reference only, and shall not affect in any way the meaning or interpretation of any provision hereof.

Section 11.05. Conflicting Provisions Repealed. All orders or resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 11.06. 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 11.07. Public Notice of Proposed Financing. Prior to making formal application to the Public Service Commission of West Virginia for a Certificate of Public Convenience and Necessity and adoption of this Resolution, the Secretary of the Governing Body shall have caused to be published in a newspaper of general circulation in each municipality in Greater Marion Public Service District and within the boundaries of the District, a Class II legal advertisement stating:

(a) The maximum amount of the Series 1999 Bonds to be issued;

(b) The maximum interest rate and terms of the Series 1999 Bonds authorized hereby;

(c) The public service properties to be acquired or constructed and the cost of the same;

(d) The maximum anticipated rates which will be charged by the Issuer; and

(e) The date that the formal application for a certificate of public convenience and necessity is to be filed with the Public Service Commission of West Virginia.

Section 11.08. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 22nd day of June, 1999.

Theresa Efau
Chairman

Samuel J Rizzo
Member

Member

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of GREATER MARION PUBLIC SERVICE DISTRICT on the 22nd day of June, 1999.

Dated: June 23, 1999.

[SEAL]

Samuel J. Rizzo
Secretary

06/16/99
439080/98001

EXHIBIT A

Loan Agreement included in bond transcript as Documents 3 and 4.

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 1999 A (West Virginia SRF Program) and
Series 1999 B (West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM) AND SEWER REVENUE BONDS, SERIES 1999 B (WEST VIRGINIA INFRASTRUCTURE FUND), OF GREATER MARION PUBLIC SERVICE DISTRICT ; APPROVING AND RATIFYING THE LOAN AGREEMENTS RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the "Governing Body") of Greater Marion Public Service District (the "Issuer"), has duly and officially adopted a bond resolution, effective June 22, 1999 (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF GREATER MARION PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $400,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), AND NOT MORE THAN $1,700,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1999 B

(WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENTS RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Resolution provides for the issuance of Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program) and Series 1999 B (West Virginia Infrastructure Fund), of the Issuer (collectively, the "Bonds" and individually, the "Series 1999 A Bonds" and the "Series 1999 B Bonds"), in the respective aggregate principal amounts not to exceed $400,000 and $1,700,000, and has authorized the execution and delivery of the loan agreement relating to the Series 1999 A Bonds, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP") and the loan agreement relating to the Series 1999 B Bonds, by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council") (collectively, the "Loan Agreement"), all in accordance with Chapter 16, Article 13A, Chapter 22C, Article 2 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Resolution it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, the Loan Agreement has been presented to the Issuer at this meeting;

WHEREAS, the Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved and ratified by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provision, the interest rate, the interest and principal payment dates, the sale price and other terms of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF GREATER MARION PUBLIC SERVICE DISTRICT:

Section 1. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the following bonds of the Issuer:

A. The Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $400,000. The Series 1999 A Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2021, and shall bear no interest. The principal of the Series 1999 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2001, and ending March 1, 2021, and in the amounts as set forth in "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 1999 A Bonds. The Series 1999 A Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 1999 A Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 1% of the principal amount of the Series 1999 A Bonds set forth in "Schedule Y" attached to the Loan Agreement.

B. The Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of $1,700,000. The Series 1999 B Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2039, and shall bear no interest. The principal of the Series 1999 B Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2000, and ending June 1, 2039, and in the amounts as set forth in "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 1999 B Bonds. The Series 1999 B Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 1999 B Bonds.

Section 2. All other provisions relating to the Bonds and the text of the Bonds shall be in substantially the form provided in the Bond Resolution.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the applications to the DEP, the Council and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate One Valley Bank, National Association, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Bond Resolution and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate One Valley Bank, Inc., Farmington, West Virginia, to serve as Depository Bank under the Bond Resolution.

Section 7. Series 1999 A Bonds proceeds in the amount of -0- shall be deposited in the Series 1999 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 1999 A Bonds proceeds in the amount of -0- shall be deposited in the Series 1999 A Bonds Reserve Account.

Section 9. Series 1999 B Bonds proceeds in the amount of -0- shall be deposited in the Series 1999 B Bonds Sinking Fund, as capitalized interest.

Section 10. Series 1999 B Bonds proceeds in the amount of -0- shall be deposited in the Series 1999 B Bonds Reserve Account.

Section 11. The balance of the proceeds of the Series 1999 A Bonds and the Series 1999 B Bonds shall be deposited in or credited to the respective Bond Construction Trust Funds for payment of the costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 12. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Bonds may be delivered on or about June 23, 1999, to the Authority pursuant to the Loan Agreement.

Section 13. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds are in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 14. The Issuer hereby determines that it is in the best interest of the Issuer to invest all moneys in the funds and accounts established by the Bond Resolution held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such repurchase agreements or time accounts, until further directed in writing by the Issuer. Moneys in the Sinking Funds, including the Reserve Accounts therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 15. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (the "Code"), by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code and Treasury Regulations promulgated or to be promulgated thereunder.

Section 16. The Issuer does hereby authorize, approve, ratify and accept the transmission and treatment agreement and the operation and maintenance agreement by and between the Issuer and the Town of Worthington.

Section 17. The Issuer does hereby authorize, approve, ratify and accept the meter reading agreement and the water service termination agreement by and between the Issuer and the Town of Monongah.

Section 18. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 22nd day of June, 1999.

GREATER MARION PUBLIC SERVICE DISTRICT

Theresa Efaw
Chairman

Samuel J Ruzzo
Member

Member

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Greater Marion Public Service District on the 22nd day of June, 1999.

Dated: June 23, 1999.

[SEAL]

Samuel J Rizzo
Secretary

06/16/99
439080/98001

(SPECIMEN SERIES 1999 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER MARION PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 1999 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1 $400,000

KNOW ALL MEN BY THESE PRESENTS: That GREATER MARION PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Marion 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 West Virginia Water Development Authority (the "Authority") or registered assigns the sum of FOUR HUNDRED THOUSAND DOLLARS ($400,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2001, as set forth on the "Schedule of Annual Debt Service" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2001, as set forth on said EXHIBIT B.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and among the Issuer, the Authority and the DEP, dated May 7, 1999.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public sewerage facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this

Series (the "Bonds") and related costs. The existing public sewerage facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 22, 1999, and a Supplemental Resolution duly adopted by the Issuer on June 22, 1999 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation 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 Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 1999 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JUNE 23, 1999, ISSUED CONCURRENTLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,700,000 (THE "SERIES 1999 B BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) 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 Series 1999 B Bonds, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 1999 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, 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 a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the moneys in the Series 1999 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, 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 the Bonds, including the Series 1999 B Bonds; provided however, that so long as there exists in the Series 1999 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Series 1999 B Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has

entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision 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.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, 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 at 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 the 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 the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and 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.

IN WITNESS WHEREOF, GREATER MARION PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated June 23, 1999.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1999 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: June 23, 1999.

ONE VALLEY BANK, NATIONAL ASSOCIATION, as Registrar

_____

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$20,000	6-23-99	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $_____

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

Greater Marion Public Service District, West Virginia

Loan Agreement, $400,000

20 Years, 0% Interest Rate, 1% Administrative Fee

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/1999	-	-	-
12/01/1999	-	-	-
3/01/2000	-	-	-
6/01/2000	-	-	-
9/01/2000	-	-	-
12/01/2000	-	-	-
3/01/2001	-	-	-
6/01/2001	5,000.00	-	5,000.00
9/01/2001	5,000.00	-	5,000.00
12/01/2001	5,000.00	-	5,000.00
3/01/2002	5,000.00	-	5,000.00
6/01/2002	5,000.00	-	5,000.00
9/01/2002	5,000.00	-	5,000.00
12/01/2002	5,000.00	-	5,000.00
3/01/2003	5,000.00	-	5,000.00
6/01/2003	5,000.00	-	5,000.00
9/01/2003	5,000.00	-	5,000.00
12/01/2003	5,000.00	-	5,000.00
3/01/2004	5,000.00	-	5,000.00
6/01/2004	5,000.00	-	5,000.00
9/01/2004	5,000.00	-	5,000.00
12/01/2004	5,000.00	-	5,000.00
3/01/2005	5,000.00	-	5,000.00
6/01/2005	5,000.00	-	5,000.00
9/01/2005	5,000.00	-	5,000.00
12/01/2005	5,000.00	-	5,000.00
3/01/2006	5,000.00	-	5,000.00
6/01/2006	5,000.00	-	5,000.00
9/01/2006	5,000.00	-	5,000.00
12/01/2006	5,000.00	-	5,000.00
3/01/2007	5,000.00	-	5,000.00
6/01/2007	5,000.00	-	5,000.00
9/01/2007	5,000.00	-	5,000.00
12/01/2007	5,000.00	-	5,000.00
3/01/2008	5,000.00	-	5,000.00
6/01/2008	5,000.00	-	5,000.00
9/01/2008	5,000.00	-	5,000.00
12/01/2008	5,000.00	-	5,000.00
3/01/2009	5,000.00	-	5,000.00
6/01/2009	5,000.00	-	5,000.00
9/01/2009	5,000.00	-	5,000.00
12/01/2009	5,000.00	-	5,000.00
3/01/2010	5,000.00	-	5,000.00
6/01/2010	5,000.00	-	5,000.00
9/01/2010	5,000.00	-	5,000.00
12/01/2010	5,000.00	-	5,000.00
3/01/2011	5,000.00	-	5,000.00

Greater Marion Public Service District, West Virginia

Loan Agreement, $400,000

20 Years, 0% Interest Rate, 1% Administrative Fee

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
6/01/2011	5,000.00	-	5,000.00
9/01/2011	5,000.00	-	5,000.00
12/01/2011	5,000.00	-	5,000.00
3/01/2012	5,000.00	-	5,000.00
6/01/2012	5,000.00	-	5,000.00
9/01/2012	5,000.00	-	5,000.00
12/01/2012	5,000.00	-	5,000.00
3/01/2013	5,000.00	-	5,000.00
6/01/2013	5,000.00	-	5,000.00
9/01/2013	5,000.00	-	5,000.00
12/01/2013	5,000.00	-	5,000.00
3/01/2014	5,000.00	-	5,000.00
6/01/2014	5,000.00	-	5,000.00
9/01/2014	5,000.00	-	5,000.00
12/01/2014	5,000.00	-	5,000.00
3/01/2015	5,000.00	-	5,000.00
6/01/2015	5,000.00	-	5,000.00
9/01/2015	5,000.00	-	5,000.00
12/01/2015	5,000.00	-	5,000.00
3/01/2016	5,000.00	-	5,000.00
6/01/2016	5,000.00	-	5,000.00
9/01/2016	5,000.00	-	5,000.00
12/01/2016	5,000.00	-	5,000.00
3/01/2017	5,000.00	-	5,000.00
6/01/2017	5,000.00	-	5,000.00
9/01/2017	5,000.00	-	5,000.00
12/01/2017	5,000.00	-	5,000.00
3/01/2018	5,000.00	-	5,000.00
6/01/2018	5,000.00	-	5,000.00
9/01/2018	5,000.00	-	5,000.00
12/01/2018	5,000.00	-	5,000.00
3/01/2019	5,000.00	-	5,000.00
6/01/2019	5,000.00	-	5,000.00
9/01/2019	5,000.00	-	5,000.00
12/01/2019	5,000.00	-	5,000.00
3/01/2020	5,000.00	-	5,000.00
6/01/2020	5,000.00	-	5,000.00
9/01/2020	5,000.00	-	5,000.00
12/01/2020	5,000.00	-	5,000.00
3/01/2021	5,000.00	-	5,000.00
Total	400,000.00	-	400,000.00 *

*Plus $506.25 one-percent administrative fee paid quarterly. Total fee paid over the life of the loan is $40,500.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

(SPECIMEN SERIES 1999 B BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER MARION PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND, SERIES 1999 B
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. BR-1 $1,700,000

KNOW ALL MEN BY THESE PRESENTS: That GREATER MARION PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Marion 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 West Virginia Water Development Authority (the "Authority") or registered assigns the sum of ONE MILLION SEVEN HUNDRED THOUSAND DOLLARS ($1,700,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2000, as set forth on the "Schedule of Annual Debt Service" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated June 23, 1999.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public sewerage facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewerage facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the

"System." This Bond is 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 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Resolution duly adopted by the Issuer on June 22, 1999, and a Supplemental Resolution duly adopted by the Issuer on June 22, 1999 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation 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 Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 23, 1999, ISSUED CONCURRENTLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $400,000 (THE "SERIES 1999 A BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) 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 Series 1999 A Bonds, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 1999 B Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, 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 a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the moneys in the Series 1999 B Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, 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 on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Series 1999 A Bonds; provided however, that so long as there exists in the Series 1999 B Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Series 1999 A Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the

Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision 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.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, 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 at 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 the 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 the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and 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.

IN WITNESS WHEREOF, GREATER MARION PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated June 23, 1999.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1999 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: June 23, 1999.

ONE VALLEY BANK, NATIONAL ASSOCIATION, as Registrar

_____

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$254,707	6-23-99	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $_____

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

Greater Marion Public Service District, West Virginia

$1,700,000 Infrastructure Fund Loan
40 Years, 0% Interest Rate

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/1999	-	-	-
12/01/1999	-	-	-
3/01/2000	-	-	-
6/01/2000	-	-	-
9/01/2000	-	-	-
12/01/2000	10,968.00	-	10,968.00
3/01/2001	10,968.00	-	10,968.00
6/01/2001	10,968.00	-	10,968.00
9/01/2001	10,968.00	-	10,968.00
12/01/2001	10,968.00	-	10,968.00
3/01/2002	10,968.00	-	10,968.00
6/01/2002	10,968.00	-	10,968.00
9/01/2002	10,968.00	-	10,968.00
12/01/2002	10,968.00	-	10,968.00
3/01/2003	10,968.00	-	10,968.00
6/01/2003	10,968.00	-	10,968.00
9/01/2003	10,968.00	-	10,968.00
12/01/2003	10,968.00	-	10,968.00
3/01/2004	10,968.00	-	10,968.00
6/01/2004	10,968.00	-	10,968.00
9/01/2004	10,968.00	-	10,968.00
12/01/2004	10,968.00	-	10,968.00
3/01/2005	10,968.00	-	10,968.00
6/01/2005	10,968.00	-	10,968.00
9/01/2005	10,968.00	-	10,968.00
12/01/2005	10,968.00	-	10,968.00
3/01/2006	10,968.00	-	10,968.00
6/01/2006	10,968.00	-	10,968.00
9/01/2006	10,968.00	-	10,968.00
12/01/2006	10,968.00	-	10,968.00
3/01/2007	10,968.00	-	10,968.00
6/01/2007	10,968.00	-	10,968.00
9/01/2007	10,968.00	-	10,968.00
12/01/2007	10,968.00	-	10,968.00
3/01/2008	10,968.00	-	10,968.00
6/01/2008	10,968.00	-	10,968.00
9/01/2008	10,968.00	-	10,968.00
12/01/2008	10,968.00	-	10,968.00
3/01/2009	10,968.00	-	10,968.00
6/01/2009	10,968.00	-	10,968.00
9/01/2009	10,968.00	-	10,968.00
12/01/2009	10,968.00	-	10,968.00
3/01/2010	10,968.00	-	10,968.00
6/01/2010	10,968.00	-	10,968.00
9/01/2010	10,968.00	-	10,968.00
12/01/2010	10,968.00	-	10,968.00
3/01/2011	10,968.00	-	10,968.00

Greater Marion Public Service District, West Virginia

$1,700,000 Infrastructure Fund Loan
40 Years, 0% Interest Rate

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
6/01/2011	10,968.00	-	10,968.00
9/01/2011	10,968.00	-	10,968.00
12/01/2011	10,968.00	-	10,968.00
3/01/2012	10,968.00	-	10,968.00
6/01/2012	10,968.00	-	10,968.00
9/01/2012	10,968.00	-	10,968.00
12/01/2012	10,968.00	-	10,968.00
3/01/2013	10,968.00	-	10,968.00
6/01/2013	10,968.00	-	10,968.00
9/01/2013	10,968.00	-	10,968.00
12/01/2013	10,968.00	-	10,968.00
3/01/2014	10,968.00	-	10,968.00
6/01/2014	10,968.00	-	10,968.00
9/01/2014	10,968.00	-	10,968.00
12/01/2014	10,968.00	-	10,968.00
3/01/2015	10,968.00	-	10,968.00
6/01/2015	10,968.00	-	10,968.00
9/01/2015	10,968.00	-	10,968.00
12/01/2015	10,968.00	-	10,968.00
3/01/2016	10,968.00	-	10,968.00
6/01/2016	10,968.00	-	10,968.00
9/01/2016	10,968.00	-	10,968.00
12/01/2016	10,968.00	-	10,968.00
3/01/2017	10,968.00	-	10,968.00
6/01/2017	10,968.00	-	10,968.00
9/01/2017	10,968.00	-	10,968.00
12/01/2017	10,968.00	-	10,968.00
3/01/2018	10,968.00	-	10,968.00
6/01/2018	10,968.00	-	10,968.00
9/01/2018	10,968.00	-	10,968.00
12/01/2018	10,968.00	-	10,968.00
3/01/2019	10,968.00	-	10,968.00
6/01/2019	10,968.00	-	10,968.00
9/01/2019	10,968.00	-	10,968.00
12/01/2019	10,968.00	-	10,968.00
3/01/2020	10,968.00	-	10,968.00
6/01/2020	10,968.00	-	10,968.00
9/01/2020	10,968.00	-	10,968.00
12/01/2020	10,968.00	-	10,968.00
3/01/2021	10,968.00	-	10,968.00
6/01/2021	10,968.00	-	10,968.00
9/01/2021	10,968.00	-	10,968.00
12/01/2021	10,968.00	-	10,968.00
3/01/2022	10,968.00	-	10,968.00
6/01/2022	10,968.00	-	10,968.00
9/01/2022	10,968.00	-	10,968.00
12/01/2022	10,968.00	-	10,968.00

Greater Marion Public Service District, West Virginia

$1,700,000 Infrastructure Fund Loan
40 Years, 0% Interest Rate

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2023	10,968.00	-	10,968.00
6/01/2023	10,968.00	-	10,968.00
9/01/2023	10,968.00	-	10,968.00
12/01/2023	10,968.00	-	10,968.00
3/01/2024	10,968.00	-	10,968.00
6/01/2024	10,968.00	-	10,968.00
9/01/2024	10,968.00	-	10,968.00
12/01/2024	10,968.00	-	10,968.00
3/01/2025	10,968.00	-	10,968.00
6/01/2025	10,968.00	-	10,968.00
9/01/2025	10,968.00	-	10,968.00
12/01/2025	10,968.00	-	10,968.00
3/01/2026	10,968.00	-	10,968.00
6/01/2026	10,968.00	-	10,968.00
9/01/2026	10,968.00	-	10,968.00
12/01/2026	10,968.00	-	10,968.00
3/01/2027	10,968.00	-	10,968.00
6/01/2027	10,968.00	-	10,968.00
9/01/2027	10,968.00	-	10,968.00
12/01/2027	10,968.00	-	10,968.00
3/01/2028	10,968.00	-	10,968.00
6/01/2028	10,968.00	-	10,968.00
9/01/2028	10,968.00	-	10,968.00
12/01/2028	10,968.00	-	10,968.00
3/01/2029	10,968.00	-	10,968.00
6/01/2029	10,968.00	-	10,968.00
9/01/2029	10,967.00	-	10,967.00
12/01/2029	10,967.00	-	10,967.00
3/01/2030	10,967.00	-	10,967.00
6/01/2030	10,967.00	-	10,967.00
9/01/2030	10,967.00	-	10,967.00
12/01/2030	10,967.00	-	10,967.00
3/01/2031	10,967.00	-	10,967.00
6/01/2031	10,967.00	-	10,967.00
9/01/2031	10,967.00	-	10,967.00
12/01/2031	10,967.00	-	10,967.00
3/01/2032	10,967.00	-	10,967.00
6/01/2032	10,967.00	-	10,967.00
9/01/2032	10,967.00	-	10,967.00
12/01/2032	10,967.00	-	10,967.00
3/01/2033	10,967.00	-	10,967.00
6/01/2033	10,967.00	-	10,967.00
9/01/2033	10,967.00	-	10,967.00
12/01/2033	10,967.00	-	10,967.00
3/01/2034	10,967.00	-	10,967.00
6/01/2034	10,967.00	-	10,967.00
9/01/2034	10,967.00	-	10,967.00

Greater Marion Public Service District, West Virginia

$1,700,000 Infrastructure Fund Loan
40 Years, 0% Interest Rate

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
12/01/2034	10,967.00	-	10,967.00
3/01/2035	10,967.00	-	10,967.00
6/01/2035	10,967.00	-	10,967.00
9/01/2035	10,967.00	-	10,967.00
12/01/2035	10,967.00	-	10,967.00
3/01/2036	10,967.00	-	10,967.00
6/01/2036	10,967.00	-	10,967.00
9/01/2036	10,967.00	-	10,967.00
12/01/2036	10,967.00	-	10,967.00
3/01/2037	10,967.00	-	10,967.00
6/01/2037	10,967.00	-	10,967.00
9/01/2037	10,967.00	-	10,967.00
12/01/2037	10,967.00	-	10,967.00
3/01/2038	10,967.00	-	10,967.00
6/01/2038	10,967.00	-	10,967.00
9/01/2038	10,967.00	-	10,967.00
12/01/2038	10,967.00	-	10,967.00
3/01/2039	10,967.00	-	10,967.00
6/01/2039	10,967.00	-	10,967.00
Total	**1,700,000.00**	-	**1,700,000.00**

YIELD STATISTICS

Bond Year Dollars	$35,170.54
Average Life	20.689 Years
Average Coupon	-
Net Interest Cost (NIC)	-
True Interest Cost (TIC)	1.35E-10
Bond Yield for Arbitrage Purposes	1.35E-10
All Inclusive Cost (AIC)	1.35E-10

IRS FORM 8038

Net Interest Cost	-
Weighted Average Maturity	20.689 Years

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

GREATER MARION PUBLIC SERVICE DISTRICT

SEWER REVENUE BONDS, SERIES 2000 (WEST VIRGINIA SRF PROGRAM)

BOND RESOLUTION

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GREATER MARION PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF GREATER MARION PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $400,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF GREATER MARION PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 16, Article 13A and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

Section 1.02. Findings. It is hereby found, determined and declared that:

A. Greater Marion Public Service District (the "Issuer") is a public service district and a public corporation and political subdivision of the State of West Virginia in Marion County of said State.

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain improvements and extensions to the existing public sewerage facilities of the Issuer, consisting of completion of a new vacuum sewage collection system connecting to the existing vacuum system of the Town of Worthington in the communities of Idamay, Carolina and Kelly Town in Marion County, and all appurtenant facilities (collectively, the "Project"), which constitute properties for the collection, transportation, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (the existing public sewerage system of the Issuer, the Project and any further additions, betterments and improvements thereto or extensions thereof are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. The Issuer intends to permanently finance a portion of the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), in connection with the West Virginia Water Pollution Control Revolving Fund which the Authority administers pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), in the aggregate principal amount of not more than $400,000 (the "Series 2000 Bonds"), to permanently finance a portion of the costs of acquisition and construction of the Project. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor and eligible under the SRF Program; interest, if any, upon the Series 2000 Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2000 Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, including the SRF Administrative Fee (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2000 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2000 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of the Project is not less than 35 years.

F. It is in the best interests of the Issuer that the Series 2000 Bonds be sold to the Authority pursuant to the terms and provisions of the Bond Purchase Agreement (hereinafter defined), by and among the Issuer, the Authority and the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of the Environment (the "DEP"), in form satisfactory to the parties thereunder, to be approved hereby if not previously approved by resolution of the Issuer.

G. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2000 Bonds as to liens, pledge and source of and security for payment, being the (1) Sewer Revenue Bonds, Series 1999 A (West Virginia SRF Program), dated June 23, 1999, issued in the original aggregate principal amount of $400,000 (the "Series 1999 A Bonds"); and (2) Sewer Revenue Bonds, Series 1999 B (West Virginia Infrastructure Fund), dated June 23, 1999, issued in the original aggregate principal amount of $1,700,000 (the "Series 1999 B Bonds"); The Series 1999 A Bonds and the Series 1999 B Bonds are hereinafter collectively referred to as the "Prior Bonds."

The Series 2000 Bonds shall be issued on a parity with the Prior 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 2000 Bonds, the Issuer will obtain a certificate of an Independent Certified Public Accountant stating that the parity tests of the Prior Bonds are met and the written consent of the Holders of the Prior Bonds to the issuance of the Series 2000 Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no Outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all the covenants of the Prior Bonds and the Prior Resolutions.

H. The estimated revenues to be derived in each year following completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System, to pay the principal of and interest on the Series 2000 Bonds and the Prior Bonds, and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Bond Purchase Agreement relating to authorization of the acquisition and construction of the Project and operation of the System and issuance of the Series 2000 Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein from the Public Service Commission of West Virginia by final order, the

time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2000 Bonds or such final order will not be subject to appeal or rehearing.

J. The Project has been reviewed and determined to be technically and financially feasible by the West Virginia Infrastructure and Jobs Development Council (the "Council") pursuant to Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2000 Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2000 Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" means, collectively, Chapter 16, Article 13A and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2000 Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the DEP under the Act.

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any temporary Chairman duly selected by the Governing Body.

"Bondholder," "Holder of the Bonds," "Holder," "Registered Owner" or any similar term whenever used herein with respect to an outstanding Bond or Bonds, means the person in whose name such Bond is registered.

"Bond Legislation," "Resolution," "Bond Resolution" or "Local Act" means this Bond Resolution and all orders and resolutions supplemental hereto or amendatory hereof.

"Bond Registrar" means the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

"Bonds" means, collectively, the Series 2000 Bonds, the Prior Bonds and any bonds on a parity therewith subsequently authorized to be issued hereunder or by another resolution of the Issuer.

"Bond Purchase Agreement" means the Bond Purchase Agreement heretofore entered into, or to be entered into, by and among the Issuer, the Authority and the DEP, providing for the purchase of the Series 2000 Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"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, except that the first Bond Year shall begin on the Closing Date.

"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 2000 Bonds for all or a portion of the proceeds of the Series 2000 Bonds from the Authority.

"Code" means the Internal Revenue Code of 1986, as amended, and the Regulations.

"Commission" means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia that succeeds to the functions of the Commission.

"Consulting Engineers" means Thrasher Engineering, Inc., Clarksburg, West Virginia or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System or portion thereof in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

"Costs" or "Costs of the Project" means those costs described in Section 1.02D hereof to be a part of the cost of acquisition and construction of the Project.

"DEP" means the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment, or any other agency, board or department of the State that succeeds to the functions of the DEP.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns, which shall be a member of FDIC.

"FDIC" means the Federal Deposit Insurance Corporation and any successor to the functions of the FDIC.

"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.

"Grants" means all moneys received by the Issuer on account of any Grant for the Project.

"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, purchased pursuant to Article 8.01 hereof) or any Tap Fees, as hereinafter defined.

"Herein," "hereto" and similar words shall refer to this entire Bond Legislation.

"Independent Certified Public Accountants" 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 other purpose except keeping the accounts of the System in the normal operation of its business and affairs.

"Investment Property" means:

(A) any security (within the meaning of Section 165(g)(2)(A) or (B) of the Code),

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

(E) in the case of a bond other than a private activity bond, any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan.

Except as provided in the following sentence, the term "Investment Property" does not include any tax-exempt bond. With respect to an issue other than an issue a part of which is a specified private activity bond (as defined in section 57(a)(5)(C) of the Code), the term "Investment Property" includes a specified private activity bond (as so defined).

"Issuer" means Greater Marion Public Service District, a public service district, public corporation and political subdivision of the State of West Virginia in Marion County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Net Proceeds" means the face amount of the Series 2000 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Reserve Accounts. 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 2000 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 as defined in Section 148(b) of the Code, that is not a purpose investment.

"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, the SRF Administrative Fee, 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.

"Outstanding," when used with reference to Bonds or the Prior Bonds and as of any particular date, describes all Bonds or the Prior Bonds theretofore and thereupon being authenticated and delivered, except (i) any Bond or Prior Bonds canceled by the Bond Registrar or registrar for the Prior Bonds at or prior to said date; (ii) any Bond or Prior Bonds, for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; (iv) any Prior Bond deemed to have been paid in accordance with the resolution authorizing the issuance thereof; and (v) for purposes of consents or other action by a specified percentage of Bondholders, or holders of Prior Bonds, any Bonds or Prior Bonds registered to the Issuer.

"Parity Bonds" means additional Bonds issued under the provisions and within the limitations prescribed by Section 7.07 hereof.

"Paying Agent" means the Commission or other entity designated as such for the Series 2000 Bonds in the Supplemental Resolution.

"Prior Bonds" means, collectively, the Series 1999 A Bonds and the Series 1999 B Bonds, described in Section 1.02G hereof.

"Prior Resolutions" means, collectively, the resolution and supplemental resolution of the Issuer duly adopted June 22, 1999, authorizing the Prior Bonds.

"Private Business Use" means use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit; provided that, use as a member of the general public shall not be taken into account.

"Project" means the Project as described in Section 1.02B hereof.

"Qualified Investments" means and includes any of the following:

(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 or Federal Savings and Loan Insurance Corporation, 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 Investment Management Board pursuant to Chapter 12, Article 6 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 excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registrar" means the Bond Registrar.

"Regulations" means temporary and permanent regulations promulgated under the Code or any predecessor to the Code.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established by the Prior Resolutions and continued hereby.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Series 2000 Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in the Reserve Accounts of the Series 2000 Bonds and the Prior Bonds.

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

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 1999 A Bonds" means the Issuer's Sewer Revenue Bonds, dated June 23, 1999, described in Section 1.02G hereof.

"Series 1999 B Bonds" means the Issuer's Sewer Revenue Bonds, dated June 23, 1999, described in Section 1.02G hereof.

"Series 2000 Bonds" means the Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), of the Issuer, authorized by this Resolution.

"Series 2000 Bonds Construction Trust Fund" means the Series 2000 Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2000 Bonds Reserve Account" means the Series 2000 Bonds Reserve Account established in the Series 2000 Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 2000 Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2000 Bonds in the then current or any succeeding year.

"Series 2000 Bonds Sinking Fund" means the Series 2000 Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2000 Bonds and the Prior Bonds.

"SRF Administrative Fee" means any administrative fee required to be paid under the Bond Purchase Agreement for the Series 2000 Bonds.

"SRF Program" means the State's Water Pollution Control Revolving Fund Program, under which the Authority purchases the water pollution control revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of a capitalization grant award from the United States Environmental Protection Agency and funds of the State.

"SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution or resolutions authorizing the sale of the Series 2000 Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2000 Bonds, and not so included, may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation 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 properties of the Issuer for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, as presently existing in its entirety or any integral part thereof, and shall include the Project and any additions, improvements and extensions thereto hereafter constructed or acquired for the System from any sources whatsoever.

"Tap Fees" means the fees, if any, paid by prospective customers of the System in order to connect thereto.

Additional terms and phrases are defined in this Resolution as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender; and any requirement for execution or attestation of the Bonds or any certificate or other document by the Chairman or the Secretary shall mean that such Bonds, certificate or other document may be executed or attested by an Acting Chairman or Acting Secretary.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of $3,750,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2000 Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and has entered into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the Authority and the DEP.

The total cost of the Project is estimated not to exceed $3,750,000, of which approximately $400,000 will be obtained from proceeds of the Series 2000 Bonds, $400,000 was obtained from proceeds of the Series 1999 A Bonds, $1,700,000 was obtained from proceeds of the Series 1999 B Bonds, and $1,250,000 was obtained from a grant by the United States Department of Housing and Urban Development (Small Cities Block Grant through the State of West Virginia).

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF BOND PURCHASE AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2000 Bonds, funding a reserve account for the Series 2000 Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2000 Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the Series 2000 Bonds of the Issuer. The Series 2000 Bonds shall be issued as a single bond, designated "Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program)," in the principal amount of not more than $400,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2000 Bonds remaining after funding of the Series 2000 Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 2000 Bonds, if any, shall be deposited in or credited to the Series 2000 Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2000 Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Bond Purchase Agreement. The Series 2000 Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2000 Bonds, if any, shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2000 Bonds shall be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2000 Bonds. The Series 2000 Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in such denominations as determined by a Supplemental Resolution. Such Bonds shall be dated and shall bear interest, if any, as specified in the Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2000 Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2000 Bonds shall cease to be such officer of the Issuer before the Series 2000 Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2000 Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2000 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2000 Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2000 Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2000 Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that such Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2000 Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Bonds.

The registered Series 2000 Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2000 Bonds or transferring the registered Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2000 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2000 Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No holder or holders of the Series 2000 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2000 Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Position with respect to Prior Bonds. The payment of the debt service of the Series 2000 Bonds shall be secured by a first lien on the Net Revenues derived from the System, on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2000 Bonds and the Prior Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2000 Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2000 Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2000 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2000 Bonds to the original purchasers;

C. An executed and certified copy of the Bond Legislation;

D. An executed copy of the Bond Purchase Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2000 Bonds.

Section 3.10. Form of Bonds. The text of the Series 2000 Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2000 BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER MARION PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2000
(WEST VIRGINIA SRF PROGRAM)

No. R-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That GREATER MARION PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Marion 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 West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20 ___, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20____, as set forth on said EXHIBIT B.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Division of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated _____, 2000.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public sewerage system

of the Issuer (the "Project"); and (ii) to pay certain costs of issuance hereof and related costs. The existing public sewerage facilities of the Issuer, the Project and any further improvements and extensions thereto are herein called the "System." This Bond is 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on _____, 20___, and a Supplemental Resolution duly adopted by the Issuer on _____, 20___ (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation 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 Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S (1) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $400,000 (THE "SERIES 1999 A BONDS"); AND (2) SEWER REVENUE BONDS, SERIES 1999 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,700,000 (THE "SERIES 1999 B BONDS"). THE SERIES 1999 A BONDS AND THE SERIES 1999 B BONDS ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE "PRIOR BONDS".

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) 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 Prior Bonds, unexpended proceeds of the Bonds, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 2000 Bonds Reserve Account"). Such Net Revenues shall be sufficient to pay the principal of and interest, if any, 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 a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the moneys in the Series 2000 Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, 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 the

Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2000 Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar (as defined in the Bond Legislation), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision 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.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, 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 at 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 the 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 the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and 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.

IN WITNESS WHEREOF, GREATER MARION PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated _____, 2000.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2000 Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2000.

BRANCH BANKING AND TRUST COMPANY,
as Registrar

_____
Authorized Officer

(Form of)

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$		(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Bond Purchase Agreement. The Series 2000 Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Bond Purchase Agreement. If not so authorized by previous resolution, the Chairman is specifically authorized and directed to execute the Bond Purchase Agreement in the form attached hereto as "EXHIBIT A" and made a part hereof, and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Bond Purchase Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Bond Purchase Agreement, including all schedules and exhibits attached thereto, are hereby approved and incorporated into this Bond Legislation.

Section 3.12. "Amended Schedule" Filing. Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority and the DEP a schedule, the form of which will be provided by the DEP, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Resolutions) and shall be held by the Depository Bank separate 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 and continued hereby);

(2) Renewal and Replacement Fund (established by the Prior Resolutions and continued hereby); and

(3) Series 2000 Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Resolutions) and shall be held by the Commission separate and apart from all other funds or accounts of the Commission and the Issuer and from each other:

(1) Series 1999 A Bonds Sinking Fund (established by the Prior Resolutions);

(2) Within the Series 1999 A Bonds Sinking Fund, the Series 1999 A Bonds Reserve Account (established by the Prior Resolutions);

(3) Series 1999 B Bonds Sinking Fund (established by the Prior Resolutions);

(4) Within the Series 1999 B Bonds Sinking Fund, the Series 1999 B Bonds Reserve Account (established by the Prior Resolutions);

(5) Series 2000 Bonds Sinking Fund; and

(6) Within the Series 2000 Bonds Sinking Fund, the Series 2000 Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in the Prior Resolutions and this Bond Legislation 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 provided in the Prior Resolutions and this Bond Legislation. all moneys in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, each month, pay from the Revenue Fund the 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 Commission (i) for deposit in the Series 1999 A Bonds Sinking Fund, the amount required by the Prior Resolutions to pay the principal of the Series 1999 A Bonds; (ii) for deposit in the Series 1999 B Bonds Sinking Fund, the amount required by the Prior Resolutions to pay the principal of the Series 1999 B Bonds; and (iii) commencing 3 months prior to the first date of payment of principal of the Series 2000 Bonds, for deposit in the Series 2000 Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2000 Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2000 Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Series 1999 A Bonds Reserve Account and the Series 1999 B Bonds Reserve Account, the amounts required by the Prior Resolutions; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2000 Bonds, if not fully funded upon issuance of the Series 2000 Bonds, for deposit in the Series 2000 Bonds Reserve Account, an amount equal to 1/120th of the Series 2000 Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2000 Bonds Reserve Account when there

shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2000 Bonds Reserve Requirement.

(4) The Issuer shall next, on the first day of each month, from the moneys remaining in the Revenue Fund (as previously set forth in the Prior Resolutions and not in addition thereto), transfer to the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month, 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 VIII 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 moneys from the Renewal and Replacement Fund.

Moneys in the Series 2000 Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2000 Bonds, as the same shall become due. Moneys in the Series 2000 Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2000 Bonds, as the same shall come due, when other moneys in the Series 2000 Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 2000 Bonds Sinking Fund and the Series 2000 Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2000 Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2000 Bonds, and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2000 Bonds Reserve Account which result in a reduction in the balance of the Series 2000 Bonds Reserve Account to below the Series 2000 Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2000 Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate reserve account in an amount equal to the maximum amount of principal and interest which will become due in any year for account of the Bonds of such series, including such additional parity Bonds.

The Issuer shall not be required to make any further payments into the Series 2000 Bonds Sinking Fund or the Series 2000 Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2000 Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2000 Bonds, in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2000 Bonds Sinking Fund and the Series 2000 Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Moneys in the Series 2000 Bonds Sinking Fund and the Series 2000 Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2000 Bonds Sinking Fund and the Series 2000 Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2000 Bonds under the conditions and restrictions hereinafter set forth.

B. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal, interest and reserve account payments with respect to the Series

2000 Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall also on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission, the SRF Administrative Fee as set forth in the Schedule Y attached to the Bond Purchase Agreement.

C. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Bond Purchase Agreement, and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of such calendar month.

D. 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.

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the 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 their respective charges and fees then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority at anytime, make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

F. The moneys 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.

G. If on any monthly payment date the 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 5.03, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

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

J. All Tap Fees shall be deposited by the Issuer, as received, in the Bond Construction Trust Fund, and following completion of the Project, shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from the sale of the Series 2000 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2000 Bonds, there shall first be deposited with the Commission in the Series 2000 Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest.

B. Next, from the proceeds of the Series 2000 Bonds, there shall be deposited with the Commission in the Series 2000 Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 2000 Bonds Reserve Account.

C. Next, from the proceeds of the Series 2000 Bonds, there shall first be credited to the Series 2000 Bonds Construction Trust Fund and then paid, any and all borrowings made by the Issuer for the purpose of temporarily financing a portion of the costs of the Project, together with interest accrued thereon to the date of such payment.

D. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 2000 Bonds, such moneys shall be deposited with the Depository Bank in the Series 2000 Bonds Construction Trust Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2000 Bonds.

E. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2000 Bonds shall be applied as directed by the DEP.

Section 6.02. Disbursements From the Bond Construction Trust Fund. A. On or before the Closing Date, the Issuer shall have delivered to the DEP and the Authority a report listing the specific purposes for which the proceeds of the Series 2000 Bonds will be expended and the disbursement procedures for such proceeds, including, if applicable, an estimated monthly draw schedule. Payments of all Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2000 Bonds Construction Trust Fund shall be made only after submission to, and approval from, the Authority and the DEP, of the following:

(1) a completed and signed "Payment Requisition Form," a form of which is attached to the Bond Purchase Agreement, in compliance with the construction schedule, and

(2) a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

(a) None of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;

(b) Each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;

(c) Each of such costs has been otherwise properly incurred; and

(d) Payment for each of the items proposed is due and owing.

B. Pending such application, moneys in the Series 2000 Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation 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 2000 Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2000 Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2000 Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2000 Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 2000 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2000 Bonds or the interest , if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Position with respect to Prior Bonds. The payment of the debt service of the Series 2000 Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the System, on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2000 Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges , with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Bond Purchase Agreement. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the Final Order of the Public Service Commission of West Virginia entered November 8, 2000, in Case No. 98-0474-PSD-CN (Reopened), and such rates are hereby adopted.

So long as the Series 2000 Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Bond Purchase Agreement. In the event the schedule of rates and charges initially established for the System in connection with the Series 2000 Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Bond Purchase Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Bond Purchase Agreement.

Section 7.05. 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 2000 Bonds are outstanding and except as otherwise required by law or with the written consent of the DEP and the Authority, 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 fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2000 Bonds, immediately be remitted to the Commission for deposit in the Series 2000 Bonds Sinking Fund, and, with the written permission of the DEP and the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2000 Bonds. Any balance remaining after the payment of the Series 2000 Bonds and interest, if any, thereon shall be remitted to the Issuer by the 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 $10,000, the Issuer shall, by resolution duly adopted, 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 $10,000 but not in excess of $50,000,

the Issuer shall first, determine upon consultation with the Consulting Engineers 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 of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amount required to be paid into said fund by other provisions of this Bond Legislation. 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 $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders 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 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and Section 7.07 hereof, 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 2000 Bonds. All obligations issued by the Issuer after the issuance of the Series 2000 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 2000 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 2000 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 2000 Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the DEP and the Authority prior written notice of its issuance of any other obligations to be used for the System, payable from the revenues of the System or from any grants, or any other obligations related to the Project or the System.

Section 7.07. 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. Additionally, no Parity Bonds, payable out of the revenues of the System, shall

be issued after the issuance of the Series 2000 Bonds pursuant to this Bond Legislation, except with the prior written consent of the Authority and the DEP 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 2000 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 outstanding Bonds, or both such purposes.

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 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 and approved by the Public Service Commission of West Virginia, the period for appeal of which has expired prior to the date of issuance of such 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 Accountants, 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 Bond Legislation (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 Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

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 2000 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 2000 Bonds.

No Parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for in this Bond Legislation with respect to the Bonds then Outstanding, and any other payments provided for in this Bond Legislation, 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 Bond Legislation.

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the DEP and the Authority, or their agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the DEP and the Authority such documents and information as they may reasonably require in connection with the acquisition, construction and installation of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the DEP and the Authority, or their agents and representatives, to inspect all records pertaining to the operation and maintenance of the System at all reasonable times following completion of construction of the Project and commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

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 Bond or Bonds issued pursuant to this Bond Legislation 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 and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Governing Body. The Governing Body 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 Governing Body shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer shall file with the Authority and the DEP, or any other original purchaser of the Series 2000 Bonds, and shall mail in each year to any Holder or Holders of the Series 2000 Bonds, requesting the same, an annual report containing the following:

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

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation, and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular or any successor thereto and the Single Audit Act or any successor thereto, to the extent legally required, and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2000 Bonds, and shall submit said report to

the DEP and the Authority, or any other original purchaser of the Series 2000 Bonds. Such audit report submitted to the DEP and the Authority shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Bond Purchase Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

Subject to the terms, conditions and provisions of the Bond Purchase Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

The Issuer shall permit the DEP and the Authority, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction and commencement of operation of the Project, the Issuer shall also provide the Authority and the DEP, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the DEP and the Authority with respect to the System pursuant to the Act.

The Issuer shall provide the DEP with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in EXHIBIT E of the Bond Purchase Agreement or as promulgated from time to time.

Section 7.09. Rates. Prior to the issuance of the Series 2000 Bonds, equitable rates or charges for the use of and service rendered by the System shall be 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 the 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, if any, on the Series 2000 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series

2000 Bonds, including the Prior Bonds; provided that, in the event that amounts equal to or in excess of the reserve requirements are on deposit respectively in the Reserve Accounts and the reserve accounts for obligations on a parity with the Series 2000 Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2000 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2000 Bonds, including the Prior Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the DEP and the Authority within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the DEP, the Authority and to any Holder of any Bonds, within 30 days of adoption thereof, 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 DEP, the Authority and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Bond Purchase Agreement, and forward a copy of such report to the DEP and the Authority by the 10th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Bond Purchase Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the DEP and

the Authority, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the DEP and the Authority is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

The Issuer shall provide and maintain competent and adequate engineering services satisfactory to the DEP and the Authority covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the DEP and the Authority and the Issuer at the completion of construction that construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

The Issuer shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt. The Issuer shall submit a "Performance Certificate," a form of which is attached to the Bond Purchase Agreement as Exhibit A, to the DEP within 60 days of the end of the first year after the Project is completed.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the SRF Regulations, to the DEP when the Project is 90% completed. The Issuer shall at all times provide operation and maintenance of the system in compliance with all state and federal standards.

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator to operate the System during the entire term of the Bond Purchase Agreement. The Issuer shall notify the DEP in writing of the certified operator employed at the 50% completion stage.

Section 7.12. 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, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, 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 30 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. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, 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 of the System and any services and facilities of the water system, if so owned by the Issuer, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services of either system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law. 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 7.14. 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 of the Issuer shall avail itself 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 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2000 Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) 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 or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Bond Purchase Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

(2) 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.

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the construction contract and to be required of each contractor contracting directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(4) 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.

(5) BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

(6) 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.

B. The Issuer shall require all contractors engaged in the construction of the Project to furnish a performance bond and a payment bond, each in an amount equal to 100% of the contract price of the portion of the Project covered by the particular contract as security

for the faithful performance of such contract. The Issuer shall verify such bonds prior to commencement of construction.

The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided that the amounts and terms of such coverage are satisfactory to the Authority and the DEP and the Issuer shall verify such insurance prior to commencement of construction. In the event the Bond Purchase Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.16. 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 Division 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 Division 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 7.17. Completion and Operation of Project; Permits and Orders. The Issuer will complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards.

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the System and all approvals for issuance of the Series 2000 Bonds required by State law, with all requisite appeal periods having expired without successful appeal.

Section 7.18. 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 2000 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 2000 Bonds during the term thereof is, under the terms of the Series 2000 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) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2000 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 2000 Bonds during the term thereof is, under the terms of the Series 2000 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 2000 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2000 Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of the portion of the Project to which such Private Business Use is related. All of the foregoing shall be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% or $5,000,000 of the Net Proceeds of the Series 2000 Bonds 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 2000 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will timely file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2000 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 any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest on the Series 2000 Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2000 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 2000 Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holder of the Prior Bonds.

Section 7.20. Compliance with Bond Purchase Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Bond Purchase Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the DEP with copies of all documents submitted to the Authority.

The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the DEP and the Authority or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

Section 7.21. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2000 Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP for written approval. The Issuer shall obtain the written approval of the DEP before expending any proceeds of the Series 2000 Bonds held in "contingency" as set forth in the Schedule attached to the Certificate of the Consulting Engineer. The Issuer shall also obtain the written

approval of the DEP before expending any proceeds of the Series 2000 Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding as being provided by the DEP and the Authority in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8.01. Investments. Any moneys held as a part of the funds and accounts created by this Bond Legislation other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond Legislation, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys 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 investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission 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 Depository Bank, or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest, if any, on the Series 2000 Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2000 Bonds as a condition to issuance of the Series 2000 Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time

to time in effect and applicable to the Series 2000 Bonds as may be necessary in order to maintain the status of the Series 2000 Bonds as governmental bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2000 Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority, the Council or the DEP, as the case may be, from which the proceeds of the Series 2000 Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority, the Council or the DEP, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2000 Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2000 Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2000 Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2000 Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2000 Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, Registrar or any other Paying Agent or a Holder of a Bond; or

(3) 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

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

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) 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 Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holder of the Series 2000 Bonds shall be on a parity with the Holder of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond 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 or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

The receiver so appointed shall forthwith, directly or by his or her or its agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate and 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 exercise.

Whenever all that is due upon the Bonds and interest thereon and under any covenants of this Bond Legislation for reserve, sinking or other funds 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 Bond Legislation 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 Registered Owner of any Bonds 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 or her or it, 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 may be 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 Registered Owners of the Bonds. 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 completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of the 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, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2000 Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2000 Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2000 Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2000 Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2000 Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2000 Bonds shall be made without the consent in writing of the Registered Owners of the Series 2000 Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds, required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest, if any, on the Series 2000 Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2000 Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, the Supplemental Resolution, or the Series 2000 Bonds.

Section 11.04. Headings, Etc. The headings and catchlines of the articles, sections and subsections hereof are for convenience of reference only, and shall not affect in any way the meaning or interpretation of any provision hereof.

Section 11.05. Notices. All notices to be sent to the Issuer, the Authority or the DEP shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class mail, postage prepaid, addressed as follows:

ISSUER:

Greater Marion Public Service District
Box 15
Idamay, West Virginia 26576
Attention: Chairperson

AUTHORITY:

Water Development Authority
180 Association Drive
Charleston, West Virginia 25311-1571
Attention: Executive Director

DEP:

West Virginia Division of Environmental Protection
617 1/2 Leon Sullivan Way
Charleston, WV 25301

All notices to be sent to the DEP hereunder, shall also be sent to the Authority.

Section 11.06. Conflicting Provisions Repealed; Prior Resolutions. Except for the Prior Resolutions, all orders or 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 Prior Resolutions, the Prior Resolutions shall control, unless less restrictive, so long as the Prior Bonds are outstanding.

Section 11.07. 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 11.08. Public Notice of Proposed Financing. Prior to making formal application to the Public Service Commission of West Virginia for a Certificate of Public Convenience and Necessity and adoption of this Resolution, the Secretary of the Governing Body shall have caused to be published in a newspaper of general circulation in

each municipality in Greater Marion Public Service District and within the boundaries of the District, a Class II legal advertisement stating:

(a) The maximum amount of the Series 2000 Bonds to be issued;

(b) The maximum interest rate and terms of the Series 2000 Bonds authorized hereby;

(c) The public service properties to be acquired or constructed and the cost of the same;

(d) The maximum anticipated rates which will be charged by the Issuer; and

(e) The date that the formal application for a certificate of public convenience and necessity is to be filed with the Public Service Commission of West Virginia.

Section 11.09. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 7th day of December, 2000.

Theresa Efaw
Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of GREATER MARION PUBLIC SERVICE DISTRICT on December 7, 2000.

Dated: December 11, 2000.

[SEAL]

Secretary

06/14/00
450260/99001

CL641562.2

EXHIBIT A

Bond Purchase Agreement included in bond transcript as Document 3.

GREATER MARION PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,
Series 2000 (West Virginia SRF Program)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISIONS, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2000 (WEST VIRGINIA SRF PROGRAM) OF GREATER MARION PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the "Governing Body") of Greater Marion Public Service District (the "Issuer") has duly and officially adopted a bond resolution, effective December 7, 2000 (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF GREATER MARION PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $400,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH

BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Resolution provides for the issuance of Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), of the Issuer (the "Bonds" or the "Series 2000 Bonds"), in the aggregate principal amount not to exceed $400,000, and has authorized the execution and delivery of the bond purchase agreement by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP") (the "Bond Purchase Agreement"), all in accordance with Chapter 16, Article 13A, and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Resolution it is provided that the form of the Bond Purchase Agreement and the exact principal amount, date, maturity date, redemption provisions, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, the Bond Purchase Agreement has been presented to the Issuer at this meeting;

WHEREAS, the Bonds are proposed to be purchased by the Authority pursuant to the Bond Purchase Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Bond Purchase Agreement be approved and ratified by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provisions, the interest rate, the interest and principal payment dates, the sale price and other terms of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF GREATER MARION PUBLIC SERVICE DISTRICT:

Section 1. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Sewer Revenue Bonds, Series 2000 (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered R-1, in the principal amount of $400,000. The Series 2000 Bonds shall be dated the date of delivery thereof, shall finally mature September 1, 2031, and shall bear no interest. The principal of the Series 2000 Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2001, and ending September 1, 2031, and in the amounts as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Series 2000 Bonds. The Series 2000 Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Bond Purchase Agreement, so long as the Authority shall be the registered owner of the Series 2000 Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 1/2% of the principal amount of the Series 2000 Bonds set forth in the "Schedule Y" attached to the Bond Purchase Agreement.

Section 2. All other provisions relating to the Bonds and the text of the Bonds shall be in substantially the form provided in the Bond Resolution.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Bond Purchase Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Bond Purchase Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Bond Purchase Agreement and in the applications to the DEP and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate Branch Banking and Trust Company, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Bond Resolution and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate Branch Banking and Trust Company, Farmington, West Virginia, to serve as Depository Bank under the Bond Resolution.

Section 7. Series 2000 Bonds proceeds in the amount of -0- shall be deposited in the Series 2000 Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2000 Bonds proceeds in the amount of -0- shall be deposited in the Series 2000 Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2000 Bonds shall be deposited in or credited to the Series 2000 Bonds Construction Trust Fund for payment of the costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs and payment to The County Commission of Marion County (the "County Commission") an amount equal to $49,960 to pay in full the principal of and interest on the loan provided by the County Commission to the Issuer for interim financing of the costs of the Project.

Section 10. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Bonds may be delivered on or about December 11, 2000, to the Authority pursuant to the Bond Purchase Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The Issuer hereby determines that it is in the best interest of the Issuer to invest all moneys in the funds and accounts established by the Bond Resolution held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such repurchase agreements or time accounts, until further directed in writing by the Issuer. Moneys in the Sinking Fund, including the Reserve Account therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 13. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 7th day of December, 2000.

GREATER MARION PUBLIC SERVICE DISTRICT

Theresa Efaw
Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Greater Marion Public Service District on the 7th day of December, 2000.

Dated: December 11, 2000.

[SEAL]

Secretary

11/15/00
439080/00001

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER MARION PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2000
(WEST VIRGINIA SRF PROGRAM)

No. R-1 $400,000

KNOW ALL MEN BY THESE PRESENTS: That GREATER MARION PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Marion 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 West Virginia Water Development Authority (the "Authority") or registered assigns the sum of FOUR HUNDRED THOUSAND DOLLARS ($400,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2001, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2001, as set forth on said EXHIBIT B.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Division of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated November 21, 2000.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance hereof and related costs. The existing public sewerage facilities of the Issuer, the Project and any further improvements and extensions thereto are herein called the "System." This Bond is 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on December 7, 2000, and a Supplemental Resolution duly adopted by the Issuer on December 7, 2000 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation 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 Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S (1) SEWER REVENUE BONDS, SERIES 1999 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $400,000 (THE "SERIES 1999 A BONDS"); AND (2) SEWER REVENUE BONDS, SERIES 1999 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JUNE 23, 1999, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,700,000 (THE "SERIES 1999 B BONDS"). THE SERIES 1999 A BONDS AND THE SERIES 1999 B BONDS ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE "PRIOR BONDS".

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) 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 Prior Bonds, unexpended proceeds of the Bonds, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 2000 Bonds Reserve Account"). Such Net Revenues shall be sufficient to pay the principal of and interest, if any, 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 a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the moneys in the Series 2000 Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, 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 the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2000 Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations

outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar (as defined in the Bond Legislation), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision 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.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, 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 at 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 the 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 the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and 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.

IN WITNESS WHEREOF, GREATER MARION PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated December 11, 2000.

[SEAL]

SPECIMEN

Chairman

ATTEST:

SPECIMEN

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2000 Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: December 11, 2000.

BRANCH BANKING AND TRUST COMPANY,
as Registrar

SPECIMEN

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$72,935	12/11/00	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $

EXHIBIT B

Greater Marion Public Service District (West Virginia)

Loan of $400,000
30 Years, 0% Interest Rate, 0.5% Administrative Fee
Closing Date: December 11, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2001	-	-	-
6/01/2001	-	-	-
9/01/2001	-	-	-
12/01/2001	3,334.00	-	3,334.00
3/01/2002	3,334.00	-	3,334.00
6/01/2002	3,334.00	-	3,334.00
9/01/2002	3,334.00	-	3,334.00
12/01/2002	3,334.00	-	3,334.00
3/01/2003	3,334.00	-	3,334.00
6/01/2003	3,334.00	-	3,334.00
9/01/2003	3,334.00	-	3,334.00
12/01/2003	3,334.00	-	3,334.00
3/01/2004	3,334.00	-	3,334.00
6/01/2004	3,334.00	-	3,334.00
9/01/2004	3,334.00	-	3,334.00
12/01/2004	3,334.00	-	3,334.00
3/01/2005	3,334.00	-	3,334.00
6/01/2005	3,334.00	-	3,334.00
9/01/2005	3,334.00	-	3,334.00
12/01/2005	3,334.00	-	3,334.00
3/01/2006	3,334.00	-	3,334.00
6/01/2006	3,334.00	-	3,334.00
9/01/2006	3,334.00	-	3,334.00
12/01/2006	3,334.00	-	3,334.00
3/01/2007	3,334.00	-	3,334.00
6/01/2007	3,334.00	-	3,334.00
9/01/2007	3,334.00	-	3,334.00
12/01/2007	3,334.00	-	3,334.00
3/01/2008	3,334.00	-	3,334.00
6/01/2008	3,334.00	-	3,334.00
9/01/2008	3,334.00	-	3,334.00
12/01/2008	3,334.00	-	3,334.00
3/01/2009	3,334.00	-	3,334.00
6/01/2009	3,334.00	-	3,334.00
9/01/2009	3,334.00	-	3,334.00
12/01/2009	3,334.00	-	3,334.00
3/01/2010	3,334.00	-	3,334.00
6/01/2010	3,334.00	-	3,334.00
9/01/2010	3,334.00	-	3,334.00
12/01/2010	3,334.00	-	3,334.00
3/01/2011	3,334.00	-	3,334.00
6/01/2011	3,334.00	-	3,334.00
9/01/2011	3,334.00	-	3,334.00
12/01/2011	3,333.00	-	3,333.00
3/01/2012	3,333.00	-	3,333.00
6/01/2012	3,333.00	-	3,333.00

Greater Marion Public Service District (West Virginia)

Loan of $400,000
30 Years, 0% Interest Rate, 0.5% Administrative Fee
Closing Date: December 11, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2012	3,333.00	-	3,333.00
12/01/2012	3,333.00	-	3,333.00
3/01/2013	3,333.00	-	3,333.00
6/01/2013	3,333.00	-	3,333.00
9/01/2013	3,333.00	-	3,333.00
12/01/2013	3,333.00	-	3,333.00
3/01/2014	3,333.00	-	3,333.00
6/01/2014	3,333.00	-	3,333.00
9/01/2014	3,333.00	-	3,333.00
12/01/2014	3,333.00	-	3,333.00
3/01/2015	3,333.00	-	3,333.00
6/01/2015	3,333.00	-	3,333.00
9/01/2015	3,333.00	-	3,333.00
12/01/2015	3,333.00	-	3,333.00
3/01/2016	3,333.00	-	3,333.00
6/01/2016	3,333.00	-	3,333.00
9/01/2016	3,333.00	-	3,333.00
12/01/2016	3,333.00	-	3,333.00
3/01/2017	3,333.00	-	3,333.00
6/01/2017	3,333.00	-	3,333.00
9/01/2017	3,333.00	-	3,333.00
12/01/2017	3,333.00	-	3,333.00
3/01/2018	3,333.00	-	3,333.00
6/01/2018	3,333.00	-	3,333.00
9/01/2018	3,333.00	-	3,333.00
12/01/2018	3,333.00	-	3,333.00
3/01/2019	3,333.00	-	3,333.00
6/01/2019	3,333.00	-	3,333.00
9/01/2019	3,333.00	-	3,333.00
12/01/2019	3,333.00	-	3,333.00
3/01/2020	3,333.00	-	3,333.00
6/01/2020	3,333.00	-	3,333.00
9/01/2020	3,333.00	-	3,333.00
12/01/2020	3,333.00	-	3,333.00
3/01/2021	3,333.00	-	3,333.00
6/01/2021	3,333.00	-	3,333.00
9/01/2021	3,333.00	-	3,333.00
12/01/2021	3,333.00	-	3,333.00
3/01/2022	3,333.00	-	3,333.00
6/01/2022	3,333.00	-	3,333.00
9/01/2022	3,333.00	-	3,333.00
12/01/2022	3,333.00	-	3,333.00
3/01/2023	3,333.00	-	3,333.00
6/01/2023	3,333.00	-	3,333.00
9/01/2023	3,333.00	-	3,333.00
12/01/2023	3,333.00	-	3,333.00

Greater Marion Public Service District (West Virginia)

Loan of $400,000
30 Years, 0% Interest Rate, 0.5% Administrative Fee
Closing Date: December 11, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2024	3,333.00	-	3,333.00
6/01/2024	3,333.00	-	3,333.00
9/01/2024	3,333.00	-	3,333.00
12/01/2024	3,333.00	-	3,333.00
3/01/2025	3,333.00	-	3,333.00
6/01/2025	3,333.00	-	3,333.00
9/01/2025	3,333.00	-	3,333.00
12/01/2025	3,333.00	-	3,333.00
3/01/2026	3,333.00	-	3,333.00
6/01/2026	3,333.00	-	3,333.00
9/01/2026	3,333.00	-	3,333.00
12/01/2026	3,333.00	-	3,333.00
3/01/2027	3,333.00	-	3,333.00
6/01/2027	3,333.00	-	3,333.00
9/01/2027	3,333.00	-	3,333.00
12/01/2027	3,333.00	-	3,333.00
3/01/2028	3,333.00	-	3,333.00
6/01/2028	3,333.00	-	3,333.00
9/01/2028	3,333.00	-	3,333.00
12/01/2028	3,333.00	-	3,333.00
3/01/2029	3,333.00	-	3,333.00
6/01/2029	3,333.00	-	3,333.00
9/01/2029	3,333.00	-	3,333.00
12/01/2029	3,333.00	-	3,333.00
3/01/2030	3,333.00	-	3,333.00
6/01/2030	3,333.00	-	3,333.00
9/01/2030	3,333.00	-	3,333.00
12/01/2030	3,333.00	-	3,333.00
3/01/2031	3,333.00	-	3,333.00
6/01/2031	3,333.00	-	3,333.00
9/01/2031	3,333.00	-	3,333.00
Total	400,000.00	-	400,000.00 *

*Plus $252.08 one-half percent administrative fee paid quarterly.
Total fee paid over the life of the loan is $30,249.60.

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____