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CITY OF HURRICANE
Sewer Refunding Revenue Bonds
Series 2003 A
(Branch Banking and Trust Co.)

DATE OF CLOSING:

October 28, 2003

BOND TRANSCRIPT

STEPTOE & JOHNSON PLLC

Vincent A. Collins, Esquire
3rd and Main Street
Bank One Center, Sixth Floor
Clarksburg, WV 26302
(304)624-8161
collinva@steptoe-johnson.com

John C. Stump, Esquire
707 Virginia Street, East
Bank One Center, Seventh Floor
Charleston, WV 25326
(304)353-8196
stumpjc@steptoe-johnson.com

CITY OF HURRICANE
Sewer Refunding Revenue Bonds, Series 2003 A

Date of Closing: October 28, 2003

BOND TRANSCRIPT

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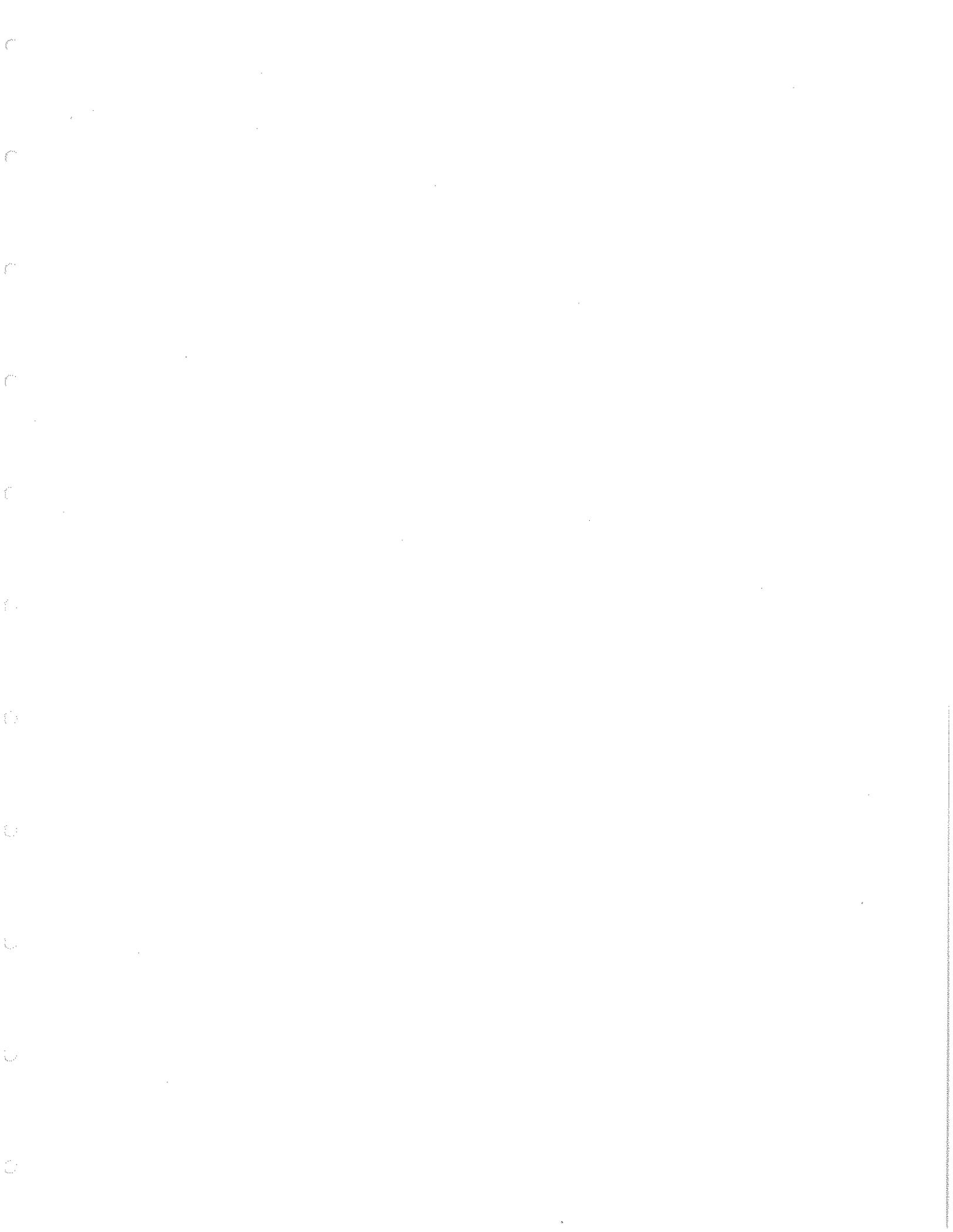
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CITY OF HURRICANE
(WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2003 A

BOND ORDINANCE

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CITY OF HURRICANE

ORDINANCE AUTHORIZING THE REFUNDING OF THE SEWER REVENUE BONDS, SERIES 1977, OF THE CITY OF HURRICANE; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2003 A, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$350,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING THERETO; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF HURRICANE:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

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

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

A. The City of Hurricane (the "City") is a municipal corporation and political subdivision of the State of West Virginia in Putnam County of said State and the City presently owns and operates a public sewerage system (the "System").

B. Under the provisions of the Act, the System is under the supervision and control of the Sanitary Board of the City (the "Sanitary Board").

C. The acquisition and construction of the System were financed, in part, by the proceeds of prior bond issues of the City, of which there is presently outstanding the Sewer Revenue Bonds, Series 1977, dated April 1, 1977, issued in the original principal amount of \$465,000 (the "Series 1977 Bonds"), the Sewer Revenue Bonds, Series 1989 A, dated December 28, 1989, issued in the original principal amount of \$2,331,211 (the "Series 1989 A Bonds") and the Sewer Revenue Bonds, Series 1989 B, dated December 28, 1989, issued in the original principal amount of \$108,789 (the "Series 1989 B Bonds").

D. Under the provisions of the Act, the City is authorized and empowered to issue refunding revenue bonds for the purpose of refunding, paying or discharging all or any part of its outstanding revenue bonds, including interest thereon.

E. The City has determined and hereby determines that it is in the best interest of the residents of the City and other users of the System to currently refund the Series 1977 Bonds in order to achieve interest cost savings (the "Refunding").

F. The City is advised that present value interest savings will be realized as a result of the Refunding.

G. It is deemed necessary for the City to issue its Sewer Refunding Revenue Bonds, Series 2003 A (the "Series 2003 A Bonds"), in the maximum total aggregate principal amount of not more than \$350,000, to currently refund the Series 1977 Bonds and to pay costs of issuance of the Series 2003 A Bonds and related costs.

H. The Sanitary Board has petitioned the City to issue Bonds for the purposes set forth herein.

I. The Series 2003 A Bonds will rank on a parity with the Series 1989 A Bonds as to liens, pledge and source of and security for payment on the Net Revenues of the System and are hereinafter referred to as the "First Lien Bonds". The Series 1989 B Bonds are subordinate and junior to the First Lien Bonds as to liens, pledge and source of and security for payment on the Net Revenues of the System and are hereinafter referred to as the "Subordinate Bonds." The Series 1989 A Bonds and the Series 1989 B Bonds are collectively hereinafter referred to as the "Prior Bonds."

Prior to the issuance of the Series 2003 A Bonds, the Issuer will obtain (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the First Lien Bonds are met; (ii) the written consent of the Holders of the First Lien Bonds to the

issuance of the Series 2003 A Bonds on a parity with the First Lien Bonds; and (iii) the written consent of the Holders of the Subordinate Bonds to the issuance of the Series 2003 A Bonds on a senior and prior basis to the Subordinate Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

J. It is in the best interests of the City that its Series 2003 A Bonds be sold to the Purchaser (as hereinafter defined) pursuant to the terms and conditions of the commitment letter of the Purchaser (the "Commitment Letter").

K. The City has complied with all requirements of West Virginia law relating to the issuance of the Series 2003 A Bonds, or will have so complied prior to issuance of the Series 2003 A Bonds.

Section 1.03. Definitions. All capitalized terms used in this Ordinance and not otherwise defined in the recitals or in the text hereof shall have the meanings specified below, unless the context expressly requires otherwise:

"Act" means Chapter 16, Article 13 of the West Virginia Code of 1931, as amended and in effect on the date of enactment of this Ordinance.

"Authorized Officer" means the Mayor of the City or any other officer of the City specifically designated by resolution of the City Council.

"Board" or "Sanitary Board" means the Sanitary Board of the City.

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

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

"Bond Register" means the books of the City maintained by the Registrar for the registration and transfer of Bonds.

"Bond Year" means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Bonds" means the Series 2003 A Bonds and any additional parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

"Bonds Payment Fund" means the Bonds Payment Fund established by Section 4.01 hereof.

"Bonds Proceeds Fund" means the Bonds Proceeds Fund established by Section 4.01 hereof.

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

"City" means the City of Hurricane, a municipal corporation of the State of West Virginia, and, where appropriate, the City Council and/or Sanitary Board of the City.

"Closing Date" means the date upon which there is an exchange of the Series 2003 A Bonds for the proceeds representing the original purchase price thereof.

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

"Costs" or similar terms, shall mean all those costs now or hereafter permitted by the Act and the Refunding Act to be financed with bonds issued pursuant hereto, including, without limitation, the costs of refunding the Series 1977 Bonds, including payment of redemption premiums and accrued interest thereon; amounts which may be deposited in any Reserve Account; legal, accounting, fiscal agent fees and expenses, initial fees for the services of registrars, paying agents, depositories, trustees or escrow trustees, or other costs in connection with the sale of the Series 2003 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, and the performance of the things herein required or permitted, in connection with any thereof.

"Depository Bank" means the bank to be designated as such in the Supplemental Resolution, and its successors and assigns.

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

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

"First Lien Bonds" means the Series 1989 A Bonds.

"First Lien Bonds Reserve Account" means the Series 1989 A Bonds Reserve Account established by the Prior Ordinance.

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

"Governing Body" or "Council" means the Council of the City or any other governing body of the City that succeeds to the functions of the City Council as presently constituted.

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

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

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

"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 City 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).

"Mayor" means the Mayor of the City.

"Net Proceeds" means the face amount of the Series 2003 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any. 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 2003 A 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, fees and expenses of issuance of the Series 2003 A Bonds, 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.

"Ordinance" means this Ordinance and all resolutions and ordinances supplemental hereto or amendatory hereof.

"Outstanding," when used with reference to the Prior Bonds or the Bonds and as of any particular date, describes all Prior Bonds or Bonds theretofore and thereupon being issued and delivered except (a) any Prior Bond or Bond for the payment of which monies, equal to its principal amount, with interest to the date of maturity, shall be held in trust under this Ordinance and set aside for such payment (whether upon or prior to maturity); and (b) any Prior Bond or Bond deemed to have been paid as provided in their respective authorizing ordinances.

"Paying Agent" means the bank or other entity designated as such for the Series 2003 A Bonds in the Supplemental Resolution, and its successors and assigns.

"Prior Bonds" means the Series 1989 A Bonds and Series 1989 B Bonds of the City.

"Prior Ordinance" means the ordinance, as supplemented of the City, duly enacted December 27, 1989, authorizing the Prior Bonds.

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

"Purchaser" means the purchaser or purchasers of the Series 2003 A Bonds directly from the City, designated as such in the Supplemental Resolution, and its successors and assigns.

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

- (a) Government Obligations;
- (b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;
- (c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee

Valley Authority; or Washington Metropolitan Area Transit Authority;

(d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

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

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

collateral; and such collateral must be free of all claims by third parties;

(h) The West Virginia "consolidated fund" managed by the West Virginia 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 exempt from federal income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Recorder" means the Recorder of the City.

"Redemption Date" means the date fixed for redemption of any Bonds of the City called for redemption.

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

"Refunding" means the defeasance and redemption of the Series 1977 Bonds and the payment of the costs of issuance of the Series 2003 A Bonds and other costs relating to the refunding of the Series 1977 Bonds.

"Refunding Act" means Chapter 16, Article 13 of the West Virginia Code of 1931, as amended and in effect on the date of enactment of this Ordinance.

"Registrar" means the bank or other entity to be designated in the Supplemental Resolution as the Registrar for the Series 2003 A Bonds, and its successors and assigns.

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

"Renewal and Replacement Fund" means the Renewal and Replacement established by Section 4.01 hereof.

"Revenue Fund" means the Revenue Fund established by Section 4.01 hereof.

"Series 1977 Bonds" means the Sewer Revenue Bonds, Series 1977, of the City, dated April 1, 1977, issued in the original aggregate principal amount of \$465,000.

"Series 1989 A Bonds" means the Sewer Revenue Bonds, Series 1989 A, of the City, dated December 28, 1989, issued in the original principal amount of \$2,331,211.

"Series 1989 B Bonds" means the Sewer Revenue Bonds, Series 1989 B, dated December 28, 1989, issued in the original principal amount of \$108,789.

"Series 2003 A Bonds" means the Sewer Refunding Revenue Bonds, Series 2003 A, of the City, originally authorized to be issued pursuant to this Ordinance.

"State" means the State of West Virginia.

"Subordinate Bonds" means the Series 1989 B Bonds.

"Subordinate Bonds Reserve Account" means the Series 1989 B Bonds Reserve Account established by the Prior Ordinance.

"Supplemental Resolution" means any resolution, ordinance or order amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution to be adopted by the City following enactment of this Ordinance, setting forth the final amounts, maturities, interest rates and other terms of the Series 2003 A Bonds and authorizing the sale of the Series 2003 A Bonds to the Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by this Ordinance to be set aside and held for the payment of or security for the Bonds or any other obligations of the City, including any Sinking Fund or Reserve Account.

"System" means the complete existing public sewerage system now owned by the City, consisting of a sewerage system in its entirety or any integral part thereof, and shall include any further extensions, additions, betterments and improvements thereto hereafter acquired or constructed for said sewerage system from any sources whatsoever, both within and without the City.

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

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations and vice versa; and words importing the masculine gender shall include the feminine and neuter genders and vice versa.

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

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

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

ARTICLE II

AUTHORIZATION OF REFUNDING

Section 2.01. Authorization of Refunding. All Series 1977 Bonds Outstanding as of the date of issuance of the Series 2003 A Bonds and all unpaid interest accrued thereon, if any, are hereby ordered to be refunded and paid in full and the pledge of Net Revenues in favor of the Holders of the Series 1977 Bonds imposed by the 1977 Ordinance, the monies in the funds and accounts created by the 1977 Ordinance pledged to payment of the Series 1977 Bonds, and any other funds pledged by the 1977 Ordinance to payment of the Series 1977 Bonds are hereby ordered terminated, discharged and released upon such payment to the Holders of the Series 1977 Bonds. Contemporaneously with the payment in full of the Series 1977 Bonds, the amounts on deposit in the sinking fund, and all other funds and accounts created and maintained on behalf of the Series 1977 Bonds, shall be released from the lien created by the 1977 Ordinance.

ARTICLE III

THE BONDS

Section 3.01. Authorization of the Bonds. For the purposes of currently refunding the Series 1977 Bonds and paying the costs of issuance of the Series 2003 A Bonds and related costs, there shall be and hereby are authorized to be issued the Sewer Refunding Revenue Bonds, Series 2003 A, of the City, in an aggregate principal amount of not more than \$350,000.

Section 3.02: Terms of Bonds. The Bonds shall be issued in fully registered form and shall be initially issued as one Bond, in the aggregate principal amount of not to exceed \$350,000. The Bonds shall be dated such date, shall bear interest at such rate or rates, not exceeding the then legally permissible limit on such date or dates; shall mature on such dates; and shall be subject to such repayment or redemption, all as provided in the Supplemental Resolution or as specifically provided in the Bonds. The Bonds shall be payable as to principal and interest at the principal office of the Paying Agent in any coin or currency which, on the date of payment, is legal tender for the payment of public and private debts under the laws of the United States of America.

The aggregate proceeds of the Bonds shall be paid to the City upon delivery of the Bonds, and the Bonds shall evidence only the indebtedness recorded on the Record of Advances attached thereto and incorporated therein. Interest shall accrue on the Bonds only on the amount of each advance from the actual date thereof as listed on said Record of Advances.

Section 3.03. Execution and Authentication of Bonds and Bonds. The Bonds shall be executed in the name of the City by the manual signature of its Mayor and the seal of the City shall be affixed thereto, and attested by the manual signature of the Recorder. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the City before the so signed and sealed shall have been actually sold or 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 Bonds may be signed and sealed on behalf of the City by such person as at the actual time of the execution of such Bonds shall hold the proper office of the City, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

No Bond shall be valid or entitled to any security or benefit under this Ordinance unless and until the certificate of authentication and registration on such Bond shall have been duly manually executed by the Registrar, and such executed certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Legislation. The certificate of authentication and registration shall be deemed to have been executed by the Registrar if signed by an authorized officer of the Registrar, but it shall not be

necessary that the same officer sign the certificate of authentication and registration on all of the Bonds issued hereunder.

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

So long as any of the Bonds remains Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Bonds. The Bonds shall be transferrable only upon the books of the Registrar which shall be kept for that purpose at the office of the Registrar by request of the registered owner thereof in person or by his attorney duly authorized in writing, and upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. Upon the transfer of a Bond, there shall be issued to the transferee another fully registered Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond.

In all cases in which the privilege of transferring Bonds is exercised, Bonds shall be delivered in accordance with the provisions of this Ordinance. All Bonds surrendered in any such transfers shall forthwith be canceled by the Registrar. For every such transfer of Bonds, the 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 transfer and the cost of preparing each new Bond upon each transfer, and any other expenses of the Registrar incurred in connection therewith, which sum or sums shall be paid by the person requesting such transfer as a condition precedent to the exercise of the privilege of making such transfer. The Registrar shall not be obliged to make any such transfer of Bonds during the 15 days preceding an interest payment date on the Bonds or after notice of any prepayment of the Bonds has been given.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the City may, in its discretion, issue and deliver a new Bond in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bonds or in lieu of and substitution for the Bond destroyed, stolen or lost and upon the Holder's furnishing the City proof of ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the City may prescribe and paying such expenses as the City may incur. All Bonds so surrendered shall be submitted to and canceled by the Registrar and held for the account of the City. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the City may pay the same, upon being

indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.06. Form of Bonds. The text of the Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted by this Ordinance or any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2003 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF HURRICANE
SEWER REFUNDING REVENUE BONDS, SERIES 2003 A

No. AR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF HURRICANE, a municipal corporation and political subdivision of the State of West Virginia in Putnam County of said State (the "City"), for value received, hereby promises to pay, solely from the sources and in the manner hereinafter set forth, to the order of

or registered assigns (the "Registered Owner"), on _____, 2003, the principal sum of _____ DOLLARS (\$ _____), or such lesser amount as shall have been advanced to the City hereunder and not previously repaid, as evidenced by the Record of Advances attached as EXHIBIT A hereto and incorporated herein by reference as a part hereof, together with interest payable thereon, in monthly installments, on the first day of each month, commencing _____ 1, 2003, on such advances from the date thereof at the rates per annum set forth as follows:

A. Interest on this Bond shall be payable at the rate of _____ % per annum (hereinafter sometimes called the "Tax-Exempt Rate").

B. Notwithstanding any other provision herein, in the event the interest on this Bond is declared to be includible in gross income for federal income tax purposes by the Internal Revenue Service ("Determination of Taxability"), interest on this Bond shall be payable at the rate of _____ % per annum (hereinafter sometimes called the "Taxable Rate"). Interest at the Taxable Rate shall commence to accrue on the date of Determination of Taxability and such interest

to be includible in gross income for federal income tax purposes, and shall continue until the entire principal of and interest on this Bond are paid, notwithstanding that the entire principal amount of this Bond may have been paid in full prior to the Determination of Taxability. Any interest being past due on this Bond by reason of such increase shall become immediately due and payable.

The principal of and interest on this Bond are payable in any coin or currency which on the date of payment thereof is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of _____, _____, West Virginia, as Registrar and Paying Agent.

The loan evidenced by this Bond shall be advanced to the City as requested by the City and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as a part hereof.

This Bond is subject to prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.

This Bond is issued (i) to finance the costs of refunding the City of Hurricane's Sewer Revenue Bonds, Series 1977; and (ii) to pay the costs of issuance hereof and related costs. The existing public waterworks facilities of the City 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 13 of the West Virginia Code of 1931, as amended (the "Act"), and an Ordinance duly enacted by the City on _____, 2003, as supplemented by a Supplemental Resolution duly adopted by the City on _____, 2003 (collectively, the "Legislation"), and is subject to all the terms and conditions thereof.

The principal of and interest on this Bond are payable only from and secured by a first lien on the Net Revenues of the System on a parity with the Sewer Revenue Bonds, Series 1989 A, dated December 28, 1989 (the "Series 1989 A Bonds"), and senior and prior, with respect to liens, pledge and source of and security for payment, to the Sewer Revenue Bonds, Series 1989 B, dated December 28, 1989 (the "Series 1989 B Bonds"). The Series 1989 A Bonds and the Series 1989 B Bonds are referred to collectively as the "Prior Bonds". The monies from these sources shall be deposited into the Bonds Payment Fund established under the Legislation for the prompt payment of the principal of and interest on this Bond.

This Bond does not constitute a corporate indebtedness of the City within the meaning of any constitutional, statutory or charter provisions or limitations, nor shall the City be obligated to pay the same or the interest hereon except from the sources set forth above. Under the Legislation, the City

has entered into certain covenants with the Registered Owner, for the terms of which reference is made to said Legislation. Remedies provided the Registered Owner are exclusively as provided in the Legislation, to which reference is here made for a detailed description thereof.

Subject to the requirements for transfer set forth below, this Bond is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia. This Bond is transferable, as provided in the Legislation, only by transfer of registration upon the books of the Registrar, to be made at the request of the Registered Owner hereof in person or by his attorney duly authorized in writing, and upon surrender hereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or his duly authorized attorney.

All monies received from the sale of this Bond shall be applied solely to the refunding of the Series 1977 Bonds and the costs of issuance and related costs described in the 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.

Under the Act, this Bond and the interest hereon are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at 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 Bonds, together with all other obligations of the City, do not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

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

This Bond shall not be valid or obligatory unless authenticated and registered by the Registrar by the execution of the Registrar's Certificate of Authentication and Registration attached hereto and incorporated herein.

IN WITNESS WHEREOF, the CITY OF HURRICANE has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated _____, 2003.

[SEAL]

Mayor

ATTEST:

Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Bonds described in and issued under the provisions of the within-mentioned Legislation and has been duly registered in the name of the registered owner set forth above.

Date: _____, 2003.

as Registrar

By _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the within-mentioned Bond and does hereby irrevocably constitute and appoint _____, attorney, to transfer said Bond on the books of the Registrar on behalf of said City with full power of substitution in the premises.

Dated: _____, 20__.

IN THE PRESENCE OF:

Section 3.07. Sale of Bonds and Bonds. The Bonds shall be sold to the Purchaser contemporaneously with, or as soon as practicable and authorized and permitted by applicable law after, adoption of the Supplemental Resolution; provided, that the Purchaser and the City shall have agreed to the purchase thereof.

Section 3.08. Security for the Bonds. The principal of and interest on the Bonds shall be secured forthwith equally and ratably with each other by a first lien on the Net Revenues derived from the System.

Section 3.09. Bonds not to be Indebtedness of City. The Bonds shall be special obligations of the City, payable as to principal and interest solely from the sources described in Section 3.08 hereof. The Bonds do not and shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation. The general funds of the City are not liable, and neither the full faith and credit nor the taxing power of the City is pledged for the payment of the Bonds. The Holders of the Bonds shall never have the right to compel the forfeiture of any property of the City. The Bonds shall not be a debt of the City, nor a legal or equitable pledge, charge, lien or encumbrance upon any property of the City or upon any of its income, receipts or revenues except as pledged therefor by this Ordinance.

Notwithstanding anything in this Ordinance, the City shall not be required to advance any money derived from any source of income other than that pledged by this Ordinance for the payment of the principal of or interest on the Bonds or for the performance of any of its duties under this Ordinance. the City may, however, advance funds for any such purpose, provided that such funds are derived from a source legally available for such purpose and may be used by the City for such purpose without incurring indebtedness.

Section 3.10. Prohibition of Other Loans. So long as the Bonds are outstanding, no bonds, notes or other evidences of indebtedness shall be issued by the City without the prior written consent of the Purchaser; provided however, that the City may issue refunding notes or bonds to pay the entire outstanding principal of and all interest accrued on the Bonds in full.

Section 3.11. Advances of Principal of Bonds. The City shall request from the Purchaser all of the proceeds of the Bonds on the Closing Date, to pay the costs of refunding the Series 1977 Bonds and the costs of issuance hereof and related costs and only to pay costs authorized by this Ordinance. After payment of all such costs, any remaining Bond proceeds shall be transferred to the Bonds Payment Fund and applied only to the payment of the Bonds.

Section 3.12. Covenants with Holders of Bonds. In order to secure the payment of the Bonds, the City hereby covenants and agrees with the Holders of the Bonds as follows:

Section 3.12. Covenants with Holders of Bonds. In order to secure the payment of the Bonds, the City hereby covenants and agrees with the Holders of the Bonds as follows:

(A) The City will not make or cause or permit to be made any application of the proceeds of the Bonds except in accordance with the provisions of Article IV hereof, or of any monies held in the Bonds Payment Fund, except in accordance with the provisions of Article IV hereof.

(B) The City shall submit to Purchaser a balance sheet and statement of revenues and expenses within sixty (60) days of each calendar quarter and an annual financial statement within one hundred twenty (120) days of its fiscal year-end, audited or prepared by Independent Certified Public Accountants acceptable to the Purchaser. Additional financial information is to be provided upon Purchaser's request.

(C) The City shall comply with all other requirements as are required by the Commitment Letter, the terms of which are incorporated herein and made a part hereof.

Section 3.13. Required Notices to Holders of Bonds. The City will provide the Purchaser prompt written notice, appropriately documented, if the City authorizes any additional indebtedness related to the System for the Purchaser's approval pursuant to Section 3.10 hereof.

Section 3.14. Arbitrage and Tax Exemption. The City 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 Bonds which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Bonds) so that the interest on the Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 3.15. Small City Exemption from Rebate of Excess Investment Earnings to the United States. In accordance with Section 148 (f)(4)(D) of the Code, the City covenants that it is a governmental unit with general taxing powers; that no part of the Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Bonds are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); and that the aggregate face amount of all the tax-exempt obligations (other than private activity bonds) issued by the City during the calendar year in which the Bonds are issued does not and will not exceed \$5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code and the Regulations from time to time in

effect an applicable to the Bonds. For purposes of the first paragraph of this Section and for purposes of applying Section 148(f)(4)(D) of the Code, the City and all entities which issue obligations on behalf of the City shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this first paragraph of this Section and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this first paragraph of this Section and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefitting thereby shall be treated as one issuer.

Section 3.16. Tax Covenants. The City hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The City shall assure that (i) not in excess of 10% of the Net Proceeds of the 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 Bonds during the term thereof is, under the terms of the 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 City, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of 5% of the Net Proceeds of the 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 Bonds during the term thereof is, under the terms of the 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 City, 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 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the System, or if the Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The City shall assure that not in excess of the lesser of 5% of the Net Proceeds of the 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 City 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 Bonds to be

directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

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

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

Section 3.17. Designation of Bonds as "Qualified Tax-Exempt Obligations".
The City hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations issued to currently refund any obligation of the City to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Bonds, have been or shall be issued by the City, including all subordinate entities of the City, during the calendar year 2003, all as determined in accordance with the Code.

Section 3.18. Disposition of Proceeds of Bonds. Upon the issuance and delivery of the Series 2003 A Bonds, the City shall forthwith deposit the proceeds thereof as follows:

A. All interest accrued, if any, on the Series 2003 A Bonds from the date thereof to the date of delivery thereof shall be deposited in the Bonds Payment Fund and applied to payment of interest on the Series 2003 A Bonds at the first interest payment date.

B. An amount of the proceeds of the Series 2003 A Bonds which, together with other monies or securities deposited therein and the earnings thereon, shall be sufficient to accomplish the refunding and defeasance of the Series 1977 Bonds (which amount shall be set forth in the Supplemental Resolution) shall be paid to the Holders of the Series 1977 Bonds.

C. An amount of the proceeds of the Series 2003 A Bonds which shall be sufficient to pay all costs of issuance shall be deposited with the Depository Bank in the Bonds Proceeds Fund and shall be drawn out, used and applied by the City solely to pay costs of issuance of the Series 2003 A Bonds and miscellaneous costs of refunding the Series 1977 Bonds at the written direction of the City. All such costs of issuance shall be paid within 60 days of the Closing Date. Monies not to be applied immediately to pay such costs of issuance and refunding may be invested in accordance with this

Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 6 months after the Closing Date, such unapplied proceeds shall be transferred by the City to the Bonds Payment Fund.

ARTICLE IV

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF;
INVESTMENT OF FUNDS

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

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

- (1) Revenue Fund (established and continued by the Prior Ordinance and therein called the "Sewer Revenue Fund");
- (2) Operation and Maintenance Fund;
- (3) Bonds Proceeds Fund; and
- (4) Bonds Payment Fund.

Section 4.02. System Revenues; Flow of Funds.

So long as any of the Bonds shall be Outstanding and unpaid, the City covenants as follows:

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

(1) The City shall first each month transfer from the Revenue Fund to the Operation and Maintenance Fund the amount necessary to pay the current Operating Expenses.

(2) The Issuer shall next, each month, transfer from the Revenue Fund and pay (i) to the Commission the amounts required by the Prior Ordinance to pay the interest, if any, on the First Lien Bonds; and (ii) to the Paying Agent the amounts required to pay interest on the Series 2003 A Bonds;

(3) The Issuer shall next, each month, transfer from the Revenue Fund and pay (i) to the Commission the amounts required by the Prior Ordinance to pay the principal on the First Lien Bonds; and (ii) to the Paying Agent the amounts required to pay principal on the Series 2003 A Bonds;

(4) The City shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission for deposit in the First Lien Bonds Reserve Account the amounts required by the Prior Ordinance;

(5) The City shall next, from the monies remaining in the Revenue Fund (as previously set forth in the Prior Ordinance and not in addition thereto), on the first day of each month, 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 City or of the Depository Bank and shall be invested and reinvested in Qualified Investments. 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) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

(6) The City shall next, each month, transfer from the Revenue Fund and pay to the Commission the amounts required by the Prior Ordinance to pay the principal of and interest, if any, on the Subordinate Bonds; and

(4) The City shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission for deposit in the Subordinate Bonds Reserve Account the amounts required by the Prior Ordinance.

Monies in the Bonds Payment Fund shall be used only for the purposes of paying principal of and interest on the Series 2003 A Bonds as the same shall become due, whether by maturity or redemption prior to maturity.

The City shall not be required to make any further payments into the Bonds Payment Fund when the aggregate amount of funds therein are at least equal to the aggregate principal amount of Series 2003 A Bonds issued pursuant to this Ordinance then Outstanding, plus the amount of interest due or thereafter to become due on the Series 2003 A Bonds then Outstanding.

As and when additional Bonds ranking on a parity with the Series 2003 A Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at or before maturity and to accumulate a balance in the respective reserve account in an amount equal to the maximum amount of principal and interest which will become due in any year for account of such additional parity Bonds.

The payments into the Series 2003 A Bonds Sinking Fund shall be made on the first day of each month, except that, when the first day of any month shall be a Saturday, Sunday or legal holiday, then such payments shall be made on the next succeeding business day, and all such payments shall be remitted to the Depository Bank with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Ordinance.

Section 4.03. Investment of Funds. Pending application as provided above, any monies held in the Bonds Proceeds Fund or the Bonds Payment Fund shall be invested and reinvested by the Depository Bank at the direction of the City to the fullest extent possible under applicable laws, and to the extent practicable, in Qualified Investments having maturities consonant with the required use thereof.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the City, at least once each year (or more often if reasonably requested by the City), a summary of such funds, accounts and investment earnings. The City 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 on the Bonds from gross income for federal income tax purposes.

ARTICLE V

DEFAULTS AND REMEDIES

Section 5.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2003 A Bonds:

(A) If default occurs in the due and punctual payment of the principal of or interest on the Series 2003 A Bonds;

(B) If default occurs in City of Hurricane's observance of any of the covenants, agreements or conditions on its part in this Ordinance or any Supplemental Resolution or in the Series 2003 A Bonds contained, and such default shall have continued for a period of 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to City of Hurricane by any Bondholder;

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

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

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

Section 5.02. Remedies. Upon the happening and continuance of any Event of Default, any Holder 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 the Holders of the Bonds including the right to require the City to perform its duties under the Act and the Legislation relating thereto, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the City to account as if it were the trustee of an express trust for the Holders of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Legislation with respect to the Bonds, or the rights of the Holders of the Bonds; provided that, all rights and remedies of the

Holders of the Series 2003 A Bonds shall be on a parity with those of the Holders of the First Lien Bonds and senior to the Holders of the Subordinate Bonds.

No remedy by the terms of this Ordinance conferred upon or reserved to the Holders of the Bonds is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Holders of the Bonds hereunder or now or hereafter existing at law or by statute.

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

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

ARTICLE VI

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 6.01. Defeasance; Discharge of Pledge of Ordinance. If the City shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 2003 A Bonds the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, then this Ordinance and the pledges of the Net Revenues and other monies and securities pledged hereunder, and all covenants, agreements and other obligations of the City on behalf of the Holders of the Series 2003 A Bonds made hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied, except as may be necessary to assure the exclusion of interest on the Series 2003 A Bonds from gross income for federal income tax purposes.

The Series 2003 A Bonds for the payment of which either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on the Series 2003 A Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2003 A Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with an escrow trustee either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on the Series 2003 A Bonds on and prior to the maturity date thereof, or if the City irrevocably determines to redeem any of the Series 2003 A Bonds prior to the maturity thereof, on and prior to said Redemption Date. Neither securities nor monies deposited with an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Series 2003 A Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on the Series 2003 A Bonds on and prior to such maturity or Redemption Dates thereof, and interest earned from such reinvestments shall be paid over to the City as received by said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations, as such term is limited by the provisions in Section 1.01 hereof or such additional securities as shall be set forth in the Supplemental Resolution.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Amendment or Modification of Ordinance. Prior to issuance of the Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Bonds, no material modification or amendment of this Ordinance, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Bondholders shall be made without the consent in writing of the Holders of the Bonds 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 out of the funds herein pledged therefor without the consent of the respective Holder thereof. Notwithstanding the foregoing, this Ordinance may be amended without the consent of the 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 on the Notes and Bonds from gross income of the Bondholder.

Section 7.02. Ordinance Constitutes Contract. The provisions of the Ordinance shall constitute a contract between the Issuer and the Holders of the Bonds, respectively, and no change, variation or alteration of any kind of the provisions of the Ordinance shall be made in any manner, except as in this Ordinance provided.

Section 7.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance 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 Ordinance, the Supplemental Resolution or the Bonds.

Section 7.04. 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 7.05. Conflicting Provisions Repealed. All ordinances, resolutions, indentures or orders, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided that, this section shall not be applicable to the Prior Ordinance. In the event of any conflict between this Ordinance and the Prior Ordinance, the Prior Ordinance shall control (unless less restrictive); as long as the Prior Bonds are outstanding.

Section 7.06. 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 and passage of this Ordinance 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 Mayor, the Clerk, the City Administrator and members of the Council were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 7.07. Effective Date. This Ordinance shall be effective following the public hearing and final reading hereof.

Section 7.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance, determined by the Issuer to contain sufficient information as to give notice of the contents hereof, shall be published once a week for two successive weeks within a period of fourteen consecutive days, with at least six full days intervening between each publication, in the *Hurricane Breeze*, a newspaper of general circulation in the City of Hurricane, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds and that any person interested may appear before Council upon a date certain, not less than 10 days subsequent to the date of the first publication of the said abstract and notice, and present protests, and that a certified copy of the Ordinance is on file in the office of the Clerk for review by interested parties during the office hours of the Clerk.

At such hearing, all objections and suggestions shall be heard and Council shall take such action as it shall deem proper in the premises.

Passed on First Reading:	September 2, 2003
Passed on Second Reading:	September 22, 2003
Passed on Final Reading following Public Hearing:	October 6, 2003

Enacted this 6th day of October, 2003.



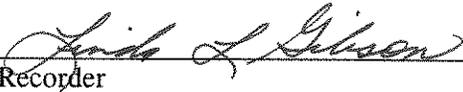
Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the City of Hurricane on the 6th day of October, 2003.

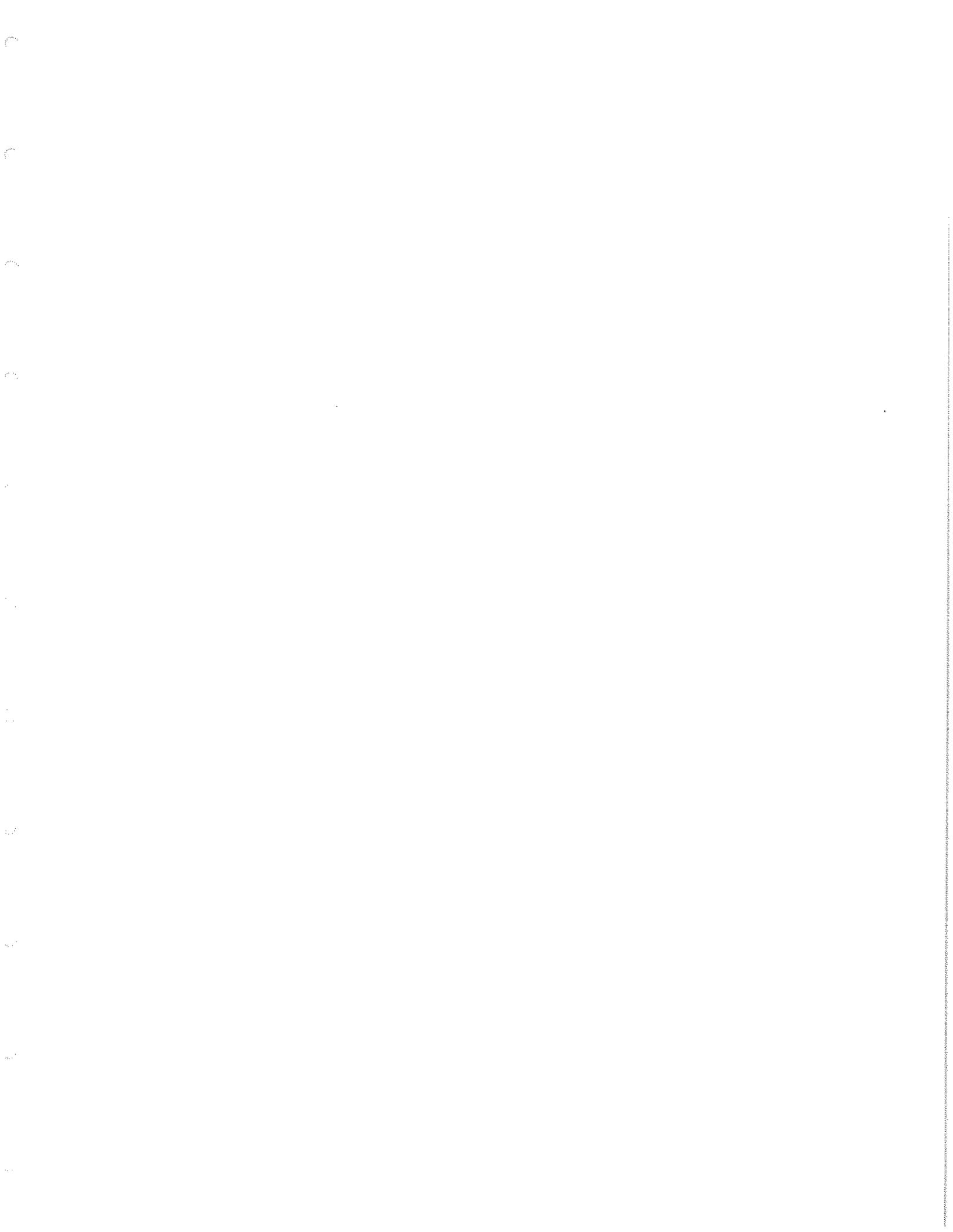
Dated this 28th day of October, 2003.

[SEAL]


Recorder

10/09/03
435630.00001

CH624046.3



CITY OF HURRICANE
(WEST VIRGINIA)

SEWER REFUNDING REVENUE BONDS, SERIES 2003 A

CONFORMED BOND ORDINANCE

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CITY OF HURRICANE

ORDINANCE AUTHORIZING THE REFUNDING OF THE SEWER REVENUE BONDS, SERIES 1977, OF THE CITY OF HURRICANE; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2003 A, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$350,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING THERETO; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF HURRICANE:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

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

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

A. The City of Hurricane (the "City") is a municipal corporation and political subdivision of the State of West Virginia in Putnam County of said State and the City presently owns and operates a public sewerage system (the "System").

B. Under the provisions of the Act, the System is under the supervision and control of the Sanitary Board of the City (the "Sanitary Board").

C. The acquisition and construction of the System were financed, in part, by the proceeds of prior bond issues of the City, of which there is presently outstanding the Sewer Revenue Bonds, Series 1977, dated April 1, 1977, issued in the original principal amount of \$465,000 (the "Series 1977 Bonds"), the Sewer Revenue Bonds, Series 1989 A, dated December 28, 1989, issued in the original principal amount of \$2,331,211 (the "Series 1989 A Bonds") and the Sewer Revenue Bonds, Series 1989 B, dated December 28, 1989, issued in the original principal amount of \$108,789 (the "Series 1989 B Bonds").

D. Under the provisions of the Act, the City is authorized and empowered to issue refunding revenue bonds for the purpose of refunding, paying or discharging all or any part of its outstanding revenue bonds, including interest thereon.

E. The City has determined and hereby determines that it is in the best interest of the residents of the City and other users of the System to currently refund the Series 1977 Bonds in order to achieve interest cost savings (the "Refunding").

F. The City is advised that present value interest savings will be realized as a result of the Refunding.

G. It is deemed necessary for the City to issue its Sewer Refunding Revenue Bonds, Series 2003 A (the "Series 2003 A Bonds"), in the maximum total aggregate principal amount of not more than \$350,000, to currently refund the Series 1977 Bonds.

H. The Sanitary Board has petitioned the City to issue Bonds for the purposes set forth herein.

I. The Series 2003 A Bonds will rank on a parity with the Series 1989 A Bonds as to liens, pledge and source of and security for payment on the Net Revenues of the System and are hereinafter referred to as the "First Lien Bonds". The Series 1989 B Bonds are subordinate and junior to the First Lien Bonds as to liens, pledge and source of and security for payment on the Net Revenues of the System and are hereinafter referred to as the "Subordinate Bonds." The Series 1989 A Bonds and the Series 1989 B Bonds are collectively hereinafter referred to as the "Prior Bonds."

Prior to the issuance of the Series 2003 A Bonds, the Issuer will obtain (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the First Lien Bonds and Subordinate Bonds are met; (ii) the written consent of the Holders of the First Lien Bonds to the issuance of the Series 2003 A Bonds on a parity with the First Lien Bonds; and (iii) the written consent of the Holders of the Subordinate Bonds to the issuance of the Series 2003 A Bonds on a senior

and prior basis to the Subordinate Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

J. It is in the best interests of the City that its Series 2003 A Bonds be sold to the Purchaser (as hereinafter defined) pursuant to the terms and conditions of the commitment letter of the Purchaser (the "Commitment Letter").

K. The City has complied with all requirements of West Virginia law relating to the issuance of the Series 2003 A Bonds, or will have so complied prior to issuance of the Series 2003 A Bonds.

Section 1.03. Definitions. All capitalized terms used in this Ordinance and not otherwise defined in the recitals or in the text hereof shall have the meanings specified below, unless the context expressly requires otherwise:

"Act" means Chapter 16, Article 13 of the West Virginia Code of 1931, as amended and in effect on the date of enactment of this Ordinance.

"Authorized Officer" means the Mayor of the City or any other officer of the City specifically designated by resolution of the City Council.

"Board" or "Sanitary Board" means the Sanitary Board of the City.

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

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

"Bond Register" means the books of the City maintained by the Registrar for the registration and transfer of Bonds.

"Bond Year" means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Bonds" means the Series 2003 A Bonds and any additional parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

"Bonds Payment Fund" means the Bonds Payment Fund established by Section 4.01 hereof.

"Bonds Proceeds Fund" means the Bonds Proceeds Fund established by Section 4.01 hereof.

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

"City" means the City of Hurricane, a municipal corporation of the State of West Virginia, and, where appropriate, the City Council and/or Sanitary Board of the City.

"Closing Date" means the date upon which there is an exchange of the Series 2003 A Bonds for the proceeds representing the original purchase price thereof.

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

"Costs" or similar terms, shall mean all those costs now or hereafter permitted by the Act and the Refunding Act to be financed with bonds issued pursuant hereto, including, without limitation, the costs of refunding the Series 1977 Bonds, including payment of redemption premiums and accrued interest thereon; amounts which may be deposited in any Reserve Account; legal, accounting, fiscal agent fees and expenses, initial fees for the services of registrars, paying agents, depositories, trustees or escrow trustees, or other costs in connection with the sale of the Series 2003 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, and the performance of the things herein required or permitted, in connection with any thereof.

"Depository Bank" means the bank to be designated as such in the Supplemental Resolution, and its successors and assigns.

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

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

"First Lien Bonds" means the Series 1989 A Bonds.

"First Lien Bonds Reserve Account" means the Series 1989 A Bonds Reserve Account established by the Prior Ordinance.

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

"Governing Body" or "Council" means the Council of the City or any other governing body of the City that succeeds to the functions of the City Council as presently constituted.

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

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

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

"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 City 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).

"Mayor" means the Mayor of the City.

"Net Proceeds" means the face amount of the Series 2003 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any. 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 2003 A 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, fees and expenses of issuance of the Series 2003 A Bonds, 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.

"Ordinance" means this Ordinance and all resolutions and ordinances supplemental hereto or amendatory hereof.

"Outstanding," when used with reference to the Prior Bonds or the Bonds and as of any particular date, describes all Prior Bonds or Bonds theretofore and thereupon being issued and delivered except (a) any Prior Bond or Bond for the payment of which monies, equal to its principal amount, with interest to the date of maturity, shall be held in trust under this Ordinance and set aside for such payment (whether upon or prior to maturity); and (b) any Prior Bond or Bond deemed to have been paid as provided in their respective authorizing ordinances.

"Paying Agent" means the West Virginia Municipal Bond Commission, Charleston, West Virginia, and its successors and assigns.

"Prior Bonds" means the Series 1989 A Bonds and Series 1989 B Bonds of the City.

"Prior Ordinance" means the ordinance, as supplemented of the City, duly enacted December 27, 1989, authorizing the Prior Bonds.

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

"Purchaser" means the purchaser or purchasers of the Series 2003 A Bonds directly from the City, designated as such in the Supplemental Resolution, and its successors and assigns.

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

- (a) Government Obligations;
- (b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;
- (c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;
- (d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;
- (e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the

FDIC, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

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

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

(h) The West Virginia "consolidated fund" managed by the West Virginia 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 exempt from federal income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Recorder" means the Recorder of the City.

"Redemption Date" means the date fixed for redemption of any Bonds of the City called for redemption.

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

"Refunding" means the defeasance and redemption of the Series 1977 Bonds and the payment of the costs of issuance of the Series 2003 A Bonds and other costs relating to the refunding of the Series 1977 Bonds.

"Refunding Act" means Chapter 16, Article 13 of the West Virginia Code of 1931, as amended and in effect on the date of enactment of this Ordinance.

"Registrar" means the bank or other entity to be designated in the Supplemental Resolution as the Registrar for the Series 2003 A Bonds, and its successors and assigns.

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

"Renewal and Replacement Fund" means the Renewal and Replacement established by Section 4.01 hereof.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Prior Bonds and the Series 2003 A Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in any Reserve Account.

"Revenue Fund" means the Revenue Fund established by Section 4.01 hereof.

"Series 1977 Bonds" means the Sewer Revenue Bonds, Series 1977, of the City, dated April 1, 1977, issued in the original aggregate principal amount of \$465,000.

"Series 1989 A Bonds" means the Sewer Revenue Bonds, Series 1989 A, of the City, dated December 28, 1989, issued in the original principal amount of \$2,331,211.

"Series 1989 B Bonds" means the Sewer Revenue Bonds, Series 1989 B, dated December 28, 1989, issued in the original principal amount of \$108,789.

"Series 2003 A Bonds" means the Sewer Refunding Revenue Bonds, Series 2003 A, of the City, originally authorized to be issued pursuant to this Ordinance.

"Series 2003 A Bonds Reserve Account" means the Series 2003 A Bonds Reserve Account established by Section 4.02 hereof.

"Series 2003 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 2003 A Bonds in the then current or any succeeding year.

"State" means the State of West Virginia.

"Subordinate Bonds" means the Series 1989 B Bonds.

"Subordinate Bonds Reserve Account" means the Series 1989 B Bonds Reserve Account established by the Prior Ordinance.

"Supplemental Resolution" means any resolution, ordinance or order amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution to be adopted by the City following enactment of this Ordinance, setting forth the final amounts, maturities, interest rates and other terms of the Series 2003 A Bonds and authorizing the sale of the Series 2003 A Bonds to the Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by this Ordinance to be set aside and held for the payment of or security for the Bonds or any other obligations of the City, including any Sinking Fund or Reserve Account.

"System" means the complete existing public sewerage system now owned by the City, consisting of a sewerage system in its entirety or any integral part thereof, and shall include any further extensions, additions, betterments and improvements thereto hereafter acquired or constructed for said sewerage system from any sources whatsoever, both within and without the City.

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

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations and vice versa; and words importing the masculine gender shall include the feminine and neuter genders and vice versa.

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

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

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

ARTICLE II

AUTHORIZATION OF REFUNDING

Section 2.01. Authorization of Refunding. All Series 1977 Bonds Outstanding as of the date of issuance of the Series 2003 A Bonds and all unpaid interest accrued thereon, if any, are hereby ordered to be refunded and paid in full and the pledge of Net Revenues in favor of the Holders of the Series 1977 Bonds imposed by the 1977 Ordinance, the monies in the funds and accounts created by the 1977 Ordinance pledged to payment of the Series 1977 Bonds, and any other funds pledged by the 1977 Ordinance to payment of the Series 1977 Bonds are hereby ordered terminated, discharged and released upon such payment to the Holders of the Series 1977 Bonds. Contemporaneously with the payment in full of the Series 1977 Bonds, the amounts on deposit in the sinking fund, and all other funds and accounts created and maintained on behalf of the Series 1977 Bonds, shall be released from the lien created by the 1977 Ordinance.

ARTICLE III

THE BONDS

Section 3.01. Authorization of the Bonds. For the purposes of currently refunding the Series 1977 Bonds, there shall be and hereby are authorized to be issued the Sewer Refunding Revenue Bonds, Series 2003 A, of the City, in an aggregate principal amount of not more than \$350,000.

Section 3.02. Terms of Bonds. The Bonds shall be issued in fully registered form and shall be initially issued as one Bond, in the aggregate principal amount of not to exceed \$350,000. The Bonds shall be dated such date, shall bear interest at such rate or rates, not exceeding the then legally permissible limit on such date or dates; shall mature on such dates; and shall be subject to such repayment or redemption, all as provided in the Supplemental Resolution or as specifically provided in the Bonds. The Bonds shall be payable as to principal and interest at the principal office of the Paying Agent in any coin or currency which, on the date of payment, is legal tender for the payment of public and private debts under the laws of the United States of America.

The entire principal amount of the Bonds (100% of par value), there being no interest accrued thereon, shall be paid to the City upon delivery of the Bonds.

Section 3.03. Execution and Authentication of Bonds and Bonds. The Bonds shall be executed in the name of the City by the manual signature of its Mayor and the seal of the City shall be affixed thereto, and attested by the manual signature of the Recorder. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the City before the so signed and sealed shall have been actually sold or 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 Bonds may be signed and sealed on behalf of the City by such person as at the actual time of the execution of such Bonds shall hold the proper office of the City, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

No Bond shall be valid or entitled to any security or benefit under this Ordinance unless and until the certificate of authentication and registration on such Bond shall have been duly manually executed by the Registrar, and such executed certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Legislation. The certificate of authentication and registration shall be deemed to have been executed by the Registrar if signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication and registration on all of the Bonds issued hereunder.

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

So long as any of the Bonds remains Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Bonds. The Bonds shall be transferrable only upon the books of the Registrar which shall be kept for that purpose at the office of the Registrar by request of the registered owner thereof in person or by his attorney duly authorized in writing, and upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. Upon the transfer of a Bond, there shall be issued to the transferee another fully registered Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond.

In all cases in which the privilege of transferring Bonds is exercised, Bonds shall be delivered in accordance with the provisions of this Ordinance. All Bonds surrendered in any such transfers shall forthwith be canceled by the Registrar. For every such transfer of Bonds, the 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 transfer and the cost of preparing each new Bond upon each transfer, and any other expenses of the Registrar incurred in connection therewith, which sum or sums shall be paid by the person requesting such transfer as a condition precedent to the exercise of the privilege of making such transfer. The Registrar shall not be obliged to make any such transfer of Bonds during the 15 days preceding an interest payment date on the Bonds or after notice of any prepayment of the Bonds has been given.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the City may, in its discretion, issue and deliver a new Bond in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bonds or in lieu of and substitution for the Bond destroyed, stolen or lost and upon the Holder's furnishing the City proof of ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the City may prescribe and paying such expenses as the City may incur. All Bonds so surrendered shall be submitted to and canceled by the Registrar and held for the account of the City. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the City may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.06. Form of Bonds. The text of the Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted by this Ordinance or any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2003 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF HURRICANE
SEWER REFUNDING REVENUE BONDS, SERIES 2003 A

No. AR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF HURRICANE, a municipal corporation and political subdivision of the State of West Virginia in Putnam County of said State (the "City"), for value received, hereby promises to pay, solely from the sources and in the manner hereinafter set forth, to the order of

or registered assigns (the "Registered Owner"), on _____, 2003, the principal sum of _____ DOLLARS (\$ _____), as set forth on the "Debt Service Schedule" attached as Exhibit A hereto and incorporated herein by reference, together with interest payable thereon, in monthly installments, on the first day of each month, commencing _____ 1, 2003, from the date thereof at the rates per annum set forth as follows:

A. Interest on this Bond shall be payable at the rate of _____ % per annum (hereinafter sometimes called the "Tax-Exempt Rate").

B. Notwithstanding any other provision herein, in the event the interest on this Bond is declared to be includible in gross income for federal income tax purposes by the Internal Revenue Service ("Determination of Taxability"), interest on this Bond shall be payable at the rate of _____ % per annum (hereinafter sometimes called the "Taxable Rate"). Interest at the Taxable Rate shall commence to accrue on the date of Determination of Taxability and such interest rate shall be charged retroactively and prospectively for all periods in which interest paid on this Bond is asserted, declared or determined to be includible in gross income for federal income tax

purposes, and shall continue until the entire principal of and interest on this Bond are paid, notwithstanding that the entire principal amount of this Bond may have been paid in full prior to the Determination of Taxability. Any interest being past due on this Bond by reason of such increase shall become immediately due and payable.

The principal of and interest on this Bond are payable in any coin or currency which on the date of payment thereof is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of _____, _____, West Virginia, as Registrar and Paying Agent.

This Bond is subject to prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.

This Bond is issued to finance the costs of refunding the City of Hurricane's Sewer Revenue Bonds, Series 1977. The existing public waterworks facilities of the City 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 13 of the West Virginia Code of 1931, as amended (the "Act"), and an Ordinance duly enacted by the City on _____, 2003, as supplemented by a Supplemental Resolution duly adopted by the City on _____, 2003, and as supplemented by a Second Supplemental Resolution duly adopted by the City on _____, 2003 (collectively, the "Legislation"), and is subject to all the terms and conditions thereof.

The principal of and interest on this Bond are payable only from and secured by a first lien on the Net Revenues of the System on a parity with the Sewer Revenue Bonds, Series 1989 A, dated December 28, 1989 (the "Series 1989 A Bonds"), and senior and prior, with respect to liens, pledge and source of and security for payment, to the Sewer Revenue Bonds, Series 1989 B, dated December 28, 1989 (the "Series 1989 B Bonds"). The Series 1989 A Bonds and the Series 1989 B Bonds are referred to collectively as the "Prior Bonds". The monies from these sources shall be deposited into the Bonds Payment Fund established under the Legislation for the prompt payment of the principal of and interest on this Bond.

This Bond does not constitute a corporate indebtedness of the City within the meaning of any constitutional, statutory or charter provisions or limitations, nor shall the City be obligated to pay the same or the interest hereon except from the sources set forth above. Under the Legislation, the City has entered into certain covenants with the Registered Owner, for the terms of which reference is made to said Legislation. Remedies provided the Registered Owner are exclusively as provided in the Legislation, to which reference is here made for a detailed description thereof.

Subject to the requirements for transfer set forth below, this Bond is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia. This Bond is transferable, as provided in the Legislation, only by transfer of registration upon the books of the Registrar, to be made at the request of the Registered Owner hereof in person or by his attorney duly authorized in writing, and upon surrender hereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or his duly authorized attorney.

All monies received from the sale of this Bond shall be applied solely to the refunding of the Series 1977 Bonds and the costs of issuance and related costs described in the 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.

Under the Act, this Bond and the interest hereon are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

In accordance with Section 148(f)(4)(D) of the Code, the Issuer covenants that it is a governmental unit with general taxing powers; that no part of the Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and that the aggregate face amount of all the tax-exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Bonds are issued does not and will not exceed \$5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code and the Regulations from time to time in effect as applicable to the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at 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 Bonds, together with all other obligations of the City, do not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

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

This Bond shall not be valid or obligatory unless authenticated and registered by the Registrar by the execution of the Registrar's Certificate of Authentication and Registration attached hereto and incorporated herein.

IN WITNESS WHEREOF, the CITY OF HURRICANE has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated _____, 2003.

[SEAL]

Mayor

ATTEST:

Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Bonds described in and issued under the provisions of the within-mentioned Legislation and has been duly registered in the name of the registered owner set forth above.

Date: _____, 2003.

as Registrar

By _____
Authorized Officer

EXHIBIT A
DEBT SERVICE SCHEDULE

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the within-mentioned Bond and does hereby irrevocably constitute and appoint _____, attorney, to transfer said Bond on the books of the Registrar on behalf of said City with full power of substitution in the premises.

Dated: _____, 20__.

IN THE PRESENCE OF:

Section 3.07. Sale of Bonds and Bonds. The Bonds shall be sold to the Purchaser contemporaneously with, or as soon as practicable and authorized and permitted by applicable law after, adoption of the Supplemental Resolution; provided, that the Purchaser and the City shall have agreed to the purchase thereof.

Section 3.08. Security for the Bonds. The principal of and interest on the 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 First Lien Bonds, and senior and prior, with respect to liens, pledge and source of and security for payment, to the Subordinate Bonds.

Section 3.09. Bonds not to be Indebtedness of City. The Bonds shall be special obligations of the City, payable as to principal and interest solely from the sources described in Section 3.08 hereof. The Bonds do not and shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation. The general funds of the City are not liable, and neither the full faith and credit nor the taxing power of the City is pledged for the payment of the Bonds. The Holders of the Bonds shall never have the right to compel the forfeiture of any property of the City. The Bonds shall not be a debt of the City, nor a legal or equitable pledge, charge, lien or encumbrance upon any property of the City or upon any of its income, receipts or revenues except as pledged therefor by this Ordinance.

Notwithstanding anything in this Ordinance, the City shall not be required to advance any money derived from any source of income other than that pledged by this Ordinance for the payment of the principal of or interest on the Bonds or for the performance of any of its duties under this Ordinance. the City may, however, advance funds for any such purpose, provided that such funds are derived from a source legally available for such purpose and may be used by the City for such purpose without incurring indebtedness.

Section 3.10. Prohibition of Other Loans. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Resolutions authorizing the Prior Bonds shall be applicable. So long as the Bonds are outstanding, no bonds, notes or other evidences of indebtedness shall be issued by the City without the prior written consent of the Purchaser; provided however, that the City may issue refunding notes or bonds to pay the entire outstanding principal of and all interest accrued on the Bonds in full.

Section 3.11. Advances of Principal of Bonds. The City shall request from the Purchaser the entire principal amount of the Bonds (100% of par value), there being no interest accrued thereon, on the Closing Date to pay the costs of refunding the Series 1977 Bonds and the costs of issuance hereof and related costs and only to pay costs authorized by this Ordinance. After payment of all such costs, any remaining Bond proceeds shall be transferred to the Bonds Payment Fund and applied only to the payment of the Bonds.

Section 3.12. Covenants with Holders of Bonds. In order to secure the payment of the Bonds, the City hereby covenants and agrees with the Holders of the Bonds as follows:

(A) General Statement. So long as the Bonds shall be outstanding and unpaid, or until there shall have been set apart a sum sufficient to prepay the entire principal of the Bonds remaining unpaid, together with interest accrued and to accrue thereon to the date of prepayment, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the City and the Purchaser.

(B) Rates. The City will, in the manner provided in the Act, fix and collect such rates, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide Revenues in each Fiscal Year sufficient to produce Net Revenues equal to not less than 110% of the annual debt service on the Bonds and all the necessary expenses of operating and maintaining the System during such Fiscal Year and such rates, fees and other charges shall not be reduced so as to be insufficient to provide adequate Revenues for such purposes.

(C) Sale of the System. The System will not be sold without the prior written consent of the Purchaser so long as the Bonds are outstanding. Such consent will provide for disposition of the proceeds of any such sale.

(D) Issuance of Additional Parity Bonds. No Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Bond pursuant to this Bond Legislation, except under the conditions and in the manner herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Bond, provided, however, that a separate debt service reserve fund may be established exclusively for such Parity Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the construction or acquisition of extensions, improvements or betterments to the System or refunding the Bonds issued pursuant hereto or subsequent Parity Bonds, or any combination of such purposes.

No Parity Bonds shall be issued at any time, however, unless the City certifies in writing 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, 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 on the following:

- (1) The Bonds then Outstanding;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Bond Legislation 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 City, the period for appeal of which has expired prior to the date of delivery of such Parity Bonds, and shall not exceed the amount to be stated in the certificate of the City.

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, on account of increased rates, rentals, fees and charges for the System adopted by the City, the period for appeal of which, if any, has expired prior to issuance of such Parity Bonds.

Not later than simultaneously with the delivery of such Parity Bonds, the City shall have entered into written contracts for the immediate construction or acquisition of such additions, betterments or improvements, if any, to the System that are to be financed by 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 Holder 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. The City 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 Bonds on such revenues. The City shall not issue any obligations whatsoever payable from the 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 Bonds.

No Parity Bonds shall be issued any time, however, unless all the payments 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 City shall then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

(E) Insurance and Bonds. A. The City hereby covenants and agrees that it will, as an expense of construction, operation and maintenance of the System, procure, carry and maintain, so long as the Bonds remain outstanding, insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(i) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured upon acceptance of any part of the Project from the contractor, and immediately upon any portion of the System now in use, on all above-ground structures of the System and mechanical and electrical equipment in place or stored on the site in an amount equal to the full insurable value thereof. In the event of any damage to or destruction of any portion of the System, the City will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The City will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the City during construction of the Project in the full insurable value thereof.

(ii) Public Liability Insurance, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the City from claims for bodily injury and/or death, and not less than \$200,000 to protect the City from claims for damage to property of others which may arise from the operation of the System, such insurance to be procured not later than the date of delivery of the Bonds.

(iii) Vehicular Public Liability Insurance, in the event the City owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the City is operated at any time or times for the benefit of the City, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the City from claims for bodily injury and/or death, and not less than \$200,000 to protect the City from

claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle for the City.

(iv) Workers' Compensation Coverage for All Employees of the District Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each prime contractor, and such payment bonds have been or will be filed with the Clerk of the County Commission of said County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39. Workers' compensation coverage shall be maintained as required by the laws of the State of West Virginia.

(v) Flood Insurance to be procured, to the extent available at reasonable cost to the City.

(vi) Fidelity Bonds will be provided as to every member of the Governing Body and as to every officer and employee thereof having custody of the Revenue Fund or of any revenues or other funds of the City in an amount at least equal to the total funds in the custody of any such person at any one time, and initially in the amount of \$50,000 upon the treasurer.

(vii) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, so long as the Bonds are outstanding, the City will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the City.

B. All insurance proceeds awarded to the City that are not applied to the repair or replacement of the subject property damaged or destroyed, shall be applied by the City to prepayment of the Bonds, unless otherwise consented to in writing by the Bondholder.

(F) Statutory Mortgage Lien. For the further protection of the Holder of the Bond, 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 and shall take effect immediately upon the delivery of the Bonds.

(G) Fiscal Year; Budget; Financial Statements. While the Bonds are outstanding and unpaid and to the extent not now prohibited by law, the System shall be operated and maintained on a Fiscal Year basis commencing on July 1 of each year and ending on the following June 30, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than 30 days prior to the beginning of each Fiscal Year, the City agrees to adopt the Annual Budget for the ensuing year, and no expenditures for operation and maintenance expenses of the System in excess of the Annual Budget shall be made during such Fiscal Year unless unanimously authorized and directed by the Governing Body. Copies of each Annual Budget shall be delivered to the Bondholder by the beginning of each Fiscal Year.

If for any reason the City shall not have adopted the Annual Budget before the 1st day of any Fiscal Year, it shall adopt a Budget of Current Expenses from month to month until the adoption of the Annual Budget; provided, however, that no such monthly budget shall exceed the budget for the corresponding month in the next year preceding by more than 10%; and provided further, that adoption of a Budget of Current Expenses shall not constitute compliance with the covenant to adopt an Annual Budget unless failure to adopt an Annual Budget be for a reason beyond the control of the City. Each such Budget of Current Expenses shall be mailed immediately to the Bondholder.

The City shall submit to the Purchaser a balance sheet and statement of revenues and expenses within sixty (60) days of each calendar quarter and an annual financial statement within one hundred twenty (120) days of its fiscal year-end, audited or prepared by Independent Certified Public Accountants acceptable to the Purchaser. Additional financial information is to be provided upon Purchaser's request.

(H) Compensation of Members of Governing Body. The City hereby covenants and agrees that no compensation for policy direction shall be paid to the members of the Governing Body in excess of the amount permitted by the Act. Payment of any compensation to any such member for policy direction shall not be made if such payment would cause the Net Revenues to fall below the amount required to meet all payments provided for herein, nor when there is default in the performance of or compliance with any covenant or provision hereof.

(I) Books and Records; Audits. The City will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the System, and the Purchaser shall have the right at all reasonable times to inspect the System and all records, accounts and data of the City relating thereto.

The City shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of certified public accountants and shall mail a copy of such audit report to the Purchaser. The City shall further comply with the Act with respect to such books, records and accounts.

(J) Maintenance of System. The City covenants that it will continuously operate, in an economical and efficient manner, and maintain the System as a revenue-producing utility as herein provided so long as the Bonds are outstanding.

(K) No Competition. To the extent legally allowable, the City will not permit competition with the System within its boundaries or within the territory served by it and will not grant or cause, consent to or allow the granting of any franchise, permit or other authorization for any person, firm, corporation, public or private body, agency or instrumentality whatsoever to provide any of the services supplied by the System within the boundaries of the City or within the territory served by the System.

(L) Application of Bond Proceeds. The City will not make or cause or permit to be made any application of the proceeds of the Bonds except in accordance with the provisions of Article IV hereof, or of any monies held in the Bonds Payment Fund, except in accordance with the provisions of Article IV hereof.

(M) The City shall comply with all other requirements as are required by the Commitment Letter, the terms of which are incorporated herein and made a part hereof.

Section 3.13. [RESERVED]

Section 3.14. Arbitrage and Tax Exemption. The City 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 Bonds which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Bonds) so that the interest on the Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 3.15. Small Issuer Exemption from Rebate of Excess Investment Earnings to the United States. In accordance with Section 148 (f)(4)(D) of the Code, the City covenants that it is a governmental unit with general taxing powers; that no part of the Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Bonds are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); and that the aggregate

face amount of all the tax-exempt obligations (other than private activity bonds) issued by the City during the calendar year in which the Bonds are issued does not and will not exceed \$5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code and the Regulations from time to time in effect an applicable to the Bonds. For purposes of the first paragraph of this Section and for purposes of applying Section 148(f)(4)(D) of the Code, the City and all entities which issue obligations on behalf of the City shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this first paragraph of this Section and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this first paragraph of this Section and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefitting thereby shall be treated as one issuer.

Section 3.16. Tax Covenants. The City hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The City shall assure that (i) not in excess of 10% of the Net Proceeds of the 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 Bonds during the term thereof is, under the terms of the 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 City, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of 5% of the Net Proceeds of the 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 Bonds during the term thereof is, under the terms of the 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 City, 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 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the System, or if the Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The City shall assure that not in excess of the lesser of 5% of the Net Proceeds of the 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 City 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 Bonds to be directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

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

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

Section 3.17. Designation of Bonds as "Qualified Tax-Exempt Obligations". The City hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations issued to currently refund any obligation of the City to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Bonds, have been or shall be issued by the City, including all subordinate entities of the City, during the calendar year 2003, all as determined in accordance with the Code.

Section 3.18. Disposition of Proceeds of Bonds. Upon the issuance and delivery of the Series 2003 A Bonds, the City shall forthwith deposit the proceeds thereof as follows:

A. All interest accrued, if any, on the Series 2003 A Bonds from the date thereof to the date of delivery thereof shall be deposited in the Bonds Payment Fund and applied to payment of interest on the Series 2003 A Bonds at the first interest payment date.

B. An amount of the proceeds of the Series 2003 A Bonds which, together with other monies or securities deposited therein and the earnings thereon, shall be sufficient to accomplish the refunding and defeasance of the Series 1977 Bonds (which amount shall be set forth in the Supplemental Resolution) shall be paid to the Holders of the Series 1977 Bonds.

C. An amount of the proceeds of the Series 2003 A Bonds which shall be sufficient to pay all costs of issuance shall be deposited with the Depository Bank in the Bonds Proceeds Fund and shall be drawn out, used and applied by the City solely to pay costs of issuance of the Series 2003 A Bonds and miscellaneous costs of refunding the Series 1977 Bonds at the written direction of the City. All such costs of issuance shall be paid within 60 days of the Closing Date. Monies not to be applied immediately to pay such costs of issuance and refunding may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 6 months after the Closing Date, such unapplied proceeds shall be transferred by the City to the Bonds Payment Fund.

ARTICLE IV

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF;
INVESTMENT OF FUNDS

Section 4.01. Establishment of Funds and Accounts with Depository Bank. Pursuant to this Article IV, the following special funds or accounts are hereby created with (or continued if previously established by the Prior Ordinance), and shall be held by, the Depository Bank, segregated and apart from all other funds or accounts of the Depository Bank and the City and from each other:

- (1) Revenue Fund (established and continued by the Prior Ordinance and therein called the "Sewer Revenue Fund");
- (2) Operation and Maintenance Fund;
- (3) Renewal and Replacement Fund (established by the Prior Ordinance); and
- (4) Bonds Proceeds Fund; and
- (5) Bonds Payment Fund.

Section 4.02. Establishment of Account with the Paying Agent. The following account is hereby created with and shall be held by the Paying Agent, separate and apart from all other funds or accounts of the Paying Agent or the Issuer:

- (1) Series 2003 A Bonds Reserve Account.

Section 4.03. System Revenues; Flow of Funds. So long as any of the Bonds shall be Outstanding and unpaid, the City covenants as follows:

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

- (1) The City shall first each month transfer from the Revenue Fund to the Operation and Maintenance Fund the amount necessary to pay the current Operating Expenses.

(2) The Issuer shall next, each month, transfer from the Revenue Fund and pay (i) to the Commission the amounts required by the Prior Ordinance to pay the interest, if any, on the First Lien Bonds; and (ii) to the Paying Agent the amounts required to pay interest on the Series 2003 A Bonds;

(3) The Issuer shall next, each month, transfer from the Revenue Fund and pay (i) to the Commission the amounts required by the Prior Ordinance to pay the principal on the First Lien Bonds; and (ii) to the Paying Agent the amounts required to pay principal on the Series 2003 A Bonds;

(4) The City shall next, on the first day of each month, transfer from the Revenue Fund and remit (i) to the Commission for deposit in the First Lien Bonds Reserve Account the amounts required by the Prior Ordinance;

(5) The City shall next, from the monies remaining in the Revenue Fund (as previously set forth in the Prior Ordinance and not in addition thereto), on the first day of each month, 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 City or of the Depository Bank and shall be invested and reinvested in Qualified Investments. 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) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

(6) The City shall next, each month, transfer from the Revenue Fund and pay to the Commission the amounts required by the Prior Ordinance to pay the principal of and interest, if any, on the Subordinate Bonds; and

(4) The City shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission for deposit in the Subordinate Bonds Reserve Account the amounts required by the Prior Ordinance.

Monies in the Bonds Payment Fund shall be used only for the purposes of paying principal of and interest on the Series 2003 A Bonds as the same shall become due, whether by maturity or redemption prior to maturity. Monies in the Series 2003 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest on the Series 2003 A Bonds, as the same shall come due, when other monies in the Bonds Payment Fund are insufficient therefor, and for no other purpose.

The City shall not be required to make any further payments into the Bonds Payment Fund or the Series 2003 A Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of Series 2003 A Bonds issued pursuant to this Ordinance then Outstanding, plus the amount of interest due or thereafter to become due on the Series 2003 A Bonds then Outstanding.

Any withdrawals from the Series 2003 A Bonds Reserve Account which result in a reduction in the balance of such account to below the Series 2003 A Bonds Reserve Requirement thereof, shall be restored from the first Net Revenues available after all required payments have been made in full to the First Lien Bonds as set forth in Section 4.03(5) above.

As and when additional Bonds ranking on a parity with the Series 2003 A Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at or before maturity and to accumulate a balance in the respective reserve account in an amount equal to the maximum amount of principal and interest which will become due in any year for account of such additional parity Bonds.

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

Section 4.04. Investment of Funds. Pending application as provided above, any monies held in the Bonds Proceeds Fund, the Bonds Payment Fund or the Series 2003 A Bonds Reserve Account shall be invested and reinvested by the Depository Bank and the Paying Agent, as applicable, at the direction of the City to the fullest extent possible

under applicable laws, and to the extent practicable, in Qualified Investments having maturities consonant with the required use thereof.

The Depository Bank and the Paying Agent shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the City, at least once each year (or more often if reasonably requested by the City), a summary of such funds, accounts and investment earnings. The City 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 on the Bonds from gross income for federal income tax purposes.

ARTICLE V

DEFAULTS AND REMEDIES

Section 5.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2003 A Bonds:

(A) If default occurs in the due and punctual payment of the principal of or interest on the Series 2003 A Bonds or the Prior Bonds;

(B) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part in this Ordinance or any Supplemental Resolution or in the Series 2003 A Bonds contained, and such default shall have continued for a period of 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to Issuer by any Bondholder;

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

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

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

Section 5.02. Remedies. Upon the happening and continuance of any Event of Default, any Holder 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 the Holders of the Bonds including the right to require the City to perform its duties under the Act and the Legislation relating thereto, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the City to account as if it were the trustee of an express trust for the Holders of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Legislation with respect to the Bonds, or the rights of the Holders of the Bonds; provided that, all rights and remedies of the Holders of the Series

2003 A Bonds shall be on a parity with those of the Holders of the First Lien Bonds and senior to the Holders of the Subordinate Bonds.

No remedy by the terms of this Ordinance conferred upon or reserved to the Holders of the Bonds is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Holders of the Bonds hereunder or now or hereafter existing at law or by statute.

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

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

ARTICLE VI

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 6.01. Defeasance; Discharge of Pledge of Ordinance. If the City shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 2003 A Bonds the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, then this Ordinance and the pledges of the Net Revenues and other monies and securities pledged hereunder, and all covenants, agreements and other obligations of the City on behalf of the Holders of the Series 2003 A Bonds made hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied, except as may be necessary to assure the exclusion of interest on the Series 2003 A Bonds from gross income for federal income tax purposes.

The Series 2003 A Bonds for the payment of which either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on the Series 2003 A Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2003 A Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with an escrow trustee either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on the Series 2003 A Bonds on and prior to the maturity date thereof, or if the City irrevocably determines to redeem any of the Series 2003 A Bonds prior to the maturity thereof, on and prior to said Redemption Date. Neither securities nor monies deposited with an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Series 2003 A Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on the Series 2003 A Bonds on and prior to such maturity or Redemption Dates thereof, and interest earned from such reinvestments shall be paid over to the City as received by said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations, as such term is limited by the provisions in Section 1.01 hereof or such additional securities as shall be set forth in the Supplemental Resolution.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Amendment or Modification of Ordinance. Prior to issuance of the Bonds, this Ordinance may be amended or supplemented in any way by any Supplemental Resolution. Following issuance of the Bonds, no material modification or amendment of this Ordinance, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Bondholders shall be made without the consent in writing of the Holders of the Bonds 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 out of the funds herein pledged therefor without the consent of the respective Holder thereof. Notwithstanding the foregoing, this Ordinance may be amended without the consent of the 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 on the Notes and Bonds from gross income of the Bondholder.

Section 7.02. Ordinance Constitutes Contract. The provisions of the Ordinance shall constitute a contract between the Issuer and the Holders of the Bonds, respectively, and no change, variation or alteration of any kind of the provisions of the Ordinance shall be made in any manner, except as in this Ordinance provided.

Section 7.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance 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 Ordinance, any Supplemental Resolution or the Bonds.

Section 7.04. 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 7.05. Conflicting Provisions Repealed. All ordinances, resolutions, indentures or orders, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided that, this section shall not be applicable to the Prior Ordinance. In the event of any conflict between this Ordinance and the Prior Ordinance, the Prior Ordinance shall control (unless less restrictive); as long as the Prior Bonds are outstanding.

Section 7.06. 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 and passage of this Ordinance 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 Mayor, the Clerk, the City Administrator and members of the Council were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 7.07. Effective Date. This Ordinance shall be effective following the public hearing and final reading hereof.

Section 7.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance, determined by the Issuer to contain sufficient information as to give notice of the contents hereof, shall be published once a week for two successive weeks within a period of fourteen consecutive days, with at least six full days intervening between each publication, in the *Hurricane Breeze*, a newspaper of general circulation in the City of Hurricane, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds and that any person interested may appear before Council upon a date certain, not less than 10 days subsequent to the date of the first publication of the said abstract and notice, and present protests, and that a certified copy of the Ordinance is on file in the office of the Clerk for review by interested parties during the office hours of the Clerk.

At such hearing, all objections and suggestions shall be heard and Council shall take such action as it shall deem proper in the premises.

Passed on First Reading: September 2, 2003

Passed on Second Reading: September 22, 2003

Passed on Final Reading
following Public Hearing: October 6, 2003

Enacted this 22nd day of October, 2003.



Mayor

CERTIFICATION

Certified a true copy of a Conformed Bond Ordinance duly enacted by the Council of the City of Hurricane on the 22nd day of October, 2003.

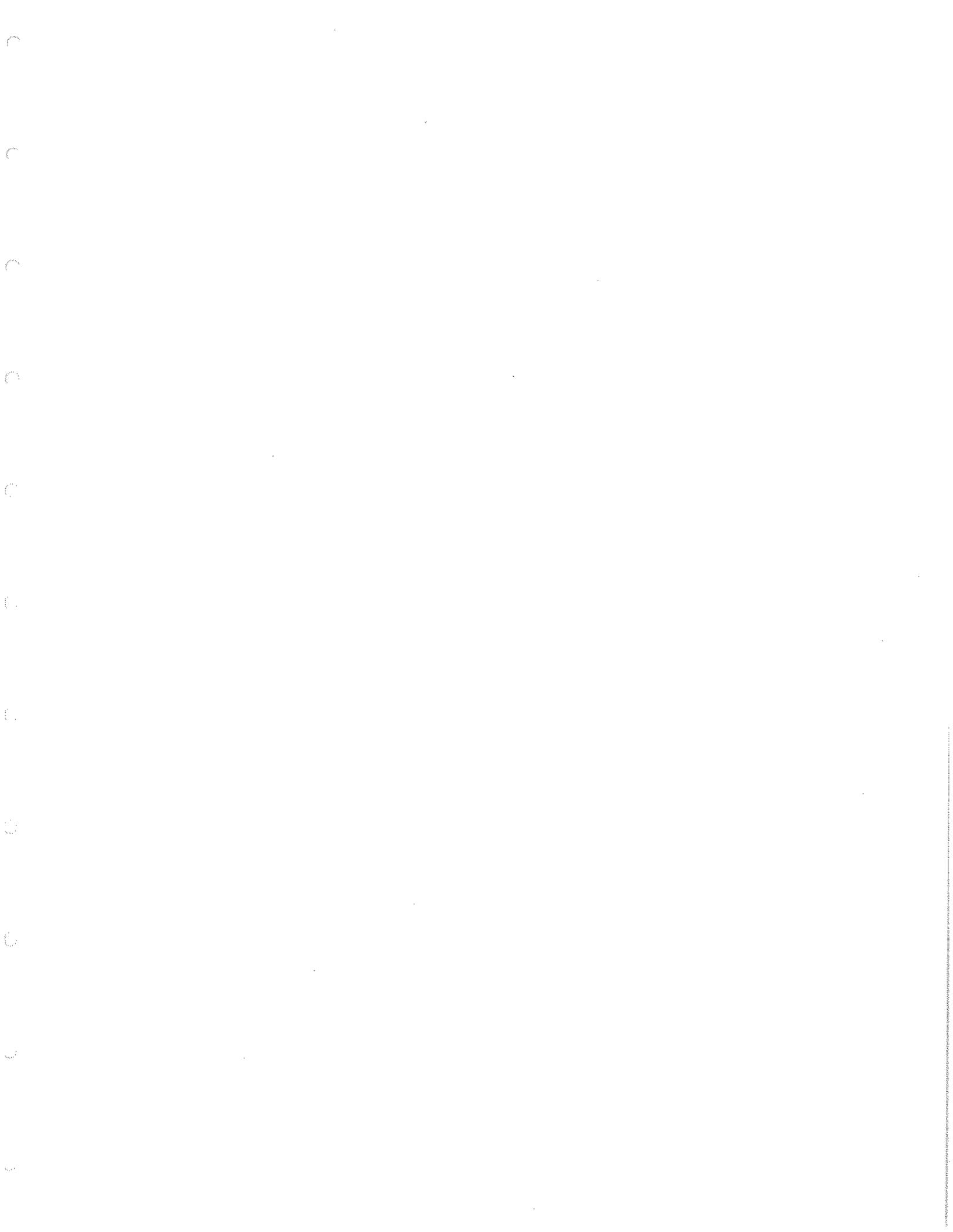
Dated this 28th day of October, 2003.

[SEAL]



Recorder

10/09/03
435630.00001



CITY OF HURRICANE
Sewer Refunding Revenue Bonds, Series 2003 A

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO THE PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, PAYMENT SCHEDULE, SALE PRICE AND OTHER TERMS OF THE CITY OF HURRICANE SEWER REFUNDING REVENUE BONDS, SERIES 2003 A; AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF SUCH BONDS TO BRANCH BANKING AND TRUST COMPANY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; APPROVING THE ESCROW AGREEMENT; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Council (the "Governing Body") of the City of Hurricane (the "Issuer") has duly and officially enacted an Ordinance on October 6, 2003 (the "Ordinance"), entitled:

ORDINANCE AUTHORIZING THE REFUNDING OF THE SEWER REVENUE BONDS, SERIES 1977, OF THE CITY OF HURRICANE; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2003 A, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$350,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING THERETO; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

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

WHEREAS, the Ordinance provides for the refunding of the Issuer's Sewer Revenue Bonds, Series 1977, dated April 1, 1977 (the "Series 1977 Bonds"), and the issuance of the Sewer Refunding Revenue Bonds, Series 2003 A, of the Issuer, in an aggregate principal amount not to exceed \$350,000 (the "Series 2003 A Bonds" or the "Bonds"), for the purposes of paying a portion of the costs of such refunding and paying the costs of issuance thereof, all in accordance with Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended (the "Act"); and in the Ordinance it is provided that the exact principal amount, date, maturity date, interest rate, payment schedule, sale price and other terms of the Bonds should be established by a supplemental resolution, and that other matters relating to the Bonds be herein provided for;

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

WHEREAS, the Bonds are proposed to be purchased by Branch Banking and Trust Company, Charleston, West Virginia (the "Original Purchaser"), pursuant to a Commitment Letter dated August 26, 2003; and

WHEREAS, the Governing Body deems it essential and desirable that this resolution (the "Supplemental Resolution") be adopted, that the Escrow Agreement be approved, that the exact principal amount, date, maturity date, interest rate, payment schedule, 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 THE CITY OF HURRICANE:

Section 1. Pursuant to the Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Sewer Refunding Revenue Bonds, Series 2003 A, of the Issuer, originally represented by a single bond, numbered AR-1, in the original principal amount of \$290,000. The Bonds shall be dated the date of delivery, shall finally mature April 1, 2012, and shall bear interest at the rate of 4.10% per annum. The principal of and interest on the Bonds shall be payable on the first day of each month, commencing November 1, 2003, in the amounts set forth in the "Debt Service Schedule" incorporated in and made a part of the Bonds. The Bonds shall be subject to

prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.

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

Section 3. The Issuer hereby approves and accepts the Escrow Agreement by and between the Issuer and the West Virginia Municipal Bond Commission (the "Commission"), the paying agent for the Series 1977 Bonds, to be dated as of the date of delivery of the Bonds, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Mayor thereof shall be and the same are hereby authorized, approved and directed.

Section 4. The Registrar Agreement by and between the Issuer and the Registrar designated herein, to be dated as of the date of delivery of the Series 2003 A Bonds, substantially in the form submitted to this meeting, shall be and the same is hereby approved. The Mayor shall execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be approved by the Mayor. The execution of the Registrar Agreement by the Mayor shall be conclusive evidence of any approval required by this Section.

Section 5. The Issuer hereby appoints and designates Branch Banking and Trust Company, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Ordinance and approves and accepts the Registrar 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 Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed and approved.

Section 6. The Issuer hereby appoints and designates Branch Banking and Trust Company, Charleston, West Virginia, to serve as Paying Agent (the "Paying Agent") for the Bonds under the Resolution and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed and approved.

Section 7. The Issuer hereby appoints and designates Branch Banking and Trust Company, Charleston, West Virginia, to serve as Depository Bank under the Resolution.

Section 8. The Issuer hereby approves and accepts the offer of Branch Banking and Trust Company, Charleston, West Virginia, to purchase the Bonds at a purchase price of \$290,000 (100% of par value), there being no interest accrued thereon.

Section 9. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Series 2003 A Bonds.

Section 10. The proceeds of the Bonds in an amount sufficient to pay the outstanding principal of, interest on and redemption premium for the Series 1977 Bonds as of April 1, 2004, shall be deposited with the Commission, together with other moneys of the Issuer in the Series 1977 Bonds Sinking Fund and the Series 1977 Bonds Reserve Account, to accomplish the prepayment and refunding of the Series 1977 Bonds.

Section 11. The remaining proceeds of the Bonds shall be deposited with the Paying Agent in the Bonds Proceeds Fund for payment of the costs of issuance of the Bonds. All costs of issuance shall be paid within 60 days from the date of delivery of the Bonds. The remaining proceeds of the Bonds, including any moneys released by the Commission, shall be released to the Issuer and applied solely to capital improvements of the System and shall be fully expended within six months from the date of delivery of the Bonds.

Section 12. Based upon the actual principal amount, maturity schedule and interest rates for the Series 2003 A Bonds, it is hereby determined that the Series 2003 A Bonds show a net savings to the Issuer after deducting all expenses of the refunding. Prior to delivery of the Series 2003 A Bonds, the Issuer shall have obtained from Michael D. Griffith, Certified Public Accountant or such other independent certified public accountant acceptable to the Mayor, a certification that the amount of savings stated to be achieved by the refunding shall in fact be correct, based upon their review, comparison and analysis of the net interest cost in dollars of the Series 2003 A Bonds and the net interest cost in dollars of the Series 1977 Bonds. The Mayor is hereby authorized and directed to employ Michael D. Griffith, Certified Public Accountant, Alum Creek, West Virginia, or such other independent certified public accountant satisfactory to Bond Counsel, to supply the certification required herein and to take other actions required in connection with the refunding.

Section 13. The Issuer hereby approves the costs of issuance and authorizes the payment of the same.

Section 14. The Mayor and Recorder are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Ordinance approved and provided for, to the end that the Bonds may be delivered to the Original Purchaser on or about October 15, 2003.

Section 15. The prepayment and refunding of the Series 1977 Bonds and the financing thereof in part with proceeds of the Bonds will result in present value debt service savings for the Issuer, 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 16. 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 any 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 the Regulations to be promulgated thereunder.

Section 17. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 6th day of October, 2003.

Raymond Beck
Mayor

[SEAL]

Ande L. Shrew
Recorder

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Hurricane on the 6th day of October, 2003.

Dated this 28th day of October, 2003.

[SEAL]


Recorder

09/30/03
435630.00001



CITY OF HURRICANE
Sewer Refunding Revenue Bonds, Series 2003 A

SECOND SUPPLEMENTAL RESOLUTION

SECOND SUPPLEMENTAL RESOLUTION MODIFYING THE BOND ORDINANCE AND THE SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF THE CITY OF HURRICANE SEWER REFUNDING REVENUE BONDS, SERIES 2003 A; APPROVING A CONFORMED ORDINANCE; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Council (the "Governing Body") of the City of Hurricane (the "Issuer") duly and officially enacted a Bond Ordinance (the "Ordinance") and adopted a Supplemental Resolution (the "Supplemental Resolution") on October 6, 2003 (hereinafter sometimes collectively referred to as the "Authorizing Legislation") authorizing the issuance of the Sewer Refunding Revenue Bonds, Series 2003 A (the "Bonds") and making other provisions as to the Bonds;

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

WHEREAS, the Authorizing Legislation provided for the refunding of the Issuer's Sewer Revenue Bonds, Series 1977, dated April 1, 1977 (the "Series 1977 Bonds"), and the issuance of the Sewer Refunding Revenue Bonds, Series 2003 A, of the Issuer, in an aggregate principal amount not to exceed \$350,000 (the "Series 2003 A Bonds" or the "Bonds"), for the purposes of paying a portion of the costs of such refunding and the costs of issuance thereof, all in accordance with Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended (the "Act");

WHEREAS, the Authorizing Legislation appointed and designated Branch Banking and Trust Company, Charleston, West Virginia, to serve as Paying Agent under the Bond Resolution;

WHEREAS, the Issuer wishes to appoint the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds;

WHEREAS, the Ordinance did not establish a reserve account for the Bonds and the Issuer wishes to create the Series 2003 A Bonds Reserve Account (the "Reserve Account") and fund such account by transferring monies from the Series 1977 Bonds Reserve Account into the Reserve Account in an amount sufficient to fully fund the Reserve Account, as defined by the Bond Ordinance;

WHEREAS, the Issuer wishes that the Bond Ordinance be conformed to include the changes authorized hereby;

WHEREAS, the Issuer wishes to approve a conformed Bond Ordinance in the form attached hereto; and

WHEREAS, the Governing Body deems it essential and desirable that this second supplemental resolution (the "Second Supplemental Resolution") be adopted, that the change of Paying Agent and creation and funding of the Reserve Account be approved, that the Bond Ordinance be conformed to include such changes and that the conformed Bond Ordinance be approved in the form attached hereto;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HURRICANE:

Section 1. The Issuer hereby appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent (the "Paying Agent") for the Bonds under the Authorizing Legislation and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed and approved.

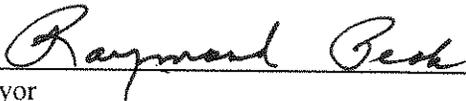
Section 2. The Issuer hereby creates the Reserve Account and directs that monies from the Series 1977 Bonds Reserve Account held by the West Virginia Municipal Bond Commission in an amount sufficient to fully fund the Reserve Account, as such is defined by the Bond Ordinance, be transferred to the Reserve Account and the Issuer hereby authorizes and directs the West Virginia Municipal Bond Commission to make such transfer.

Section 3. The Issuer hereby approves the Conformed Bond Ordinance attached hereto.

Section 4. The Mayor and Recorder are hereby authorized and directed to execute and deliver the Conformed Bond Ordinance and such other documents and certificates required or desirable in connection with the Bonds hereby provided for, to the end that the Bonds may be delivered to the Original Purchaser on or about October 28, 2003.

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

Adopted this 22nd day of October, 2003.



Mayor

[SEAL]



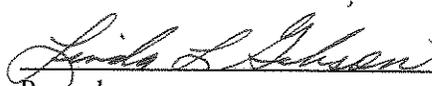
Recorder

CERTIFICATION

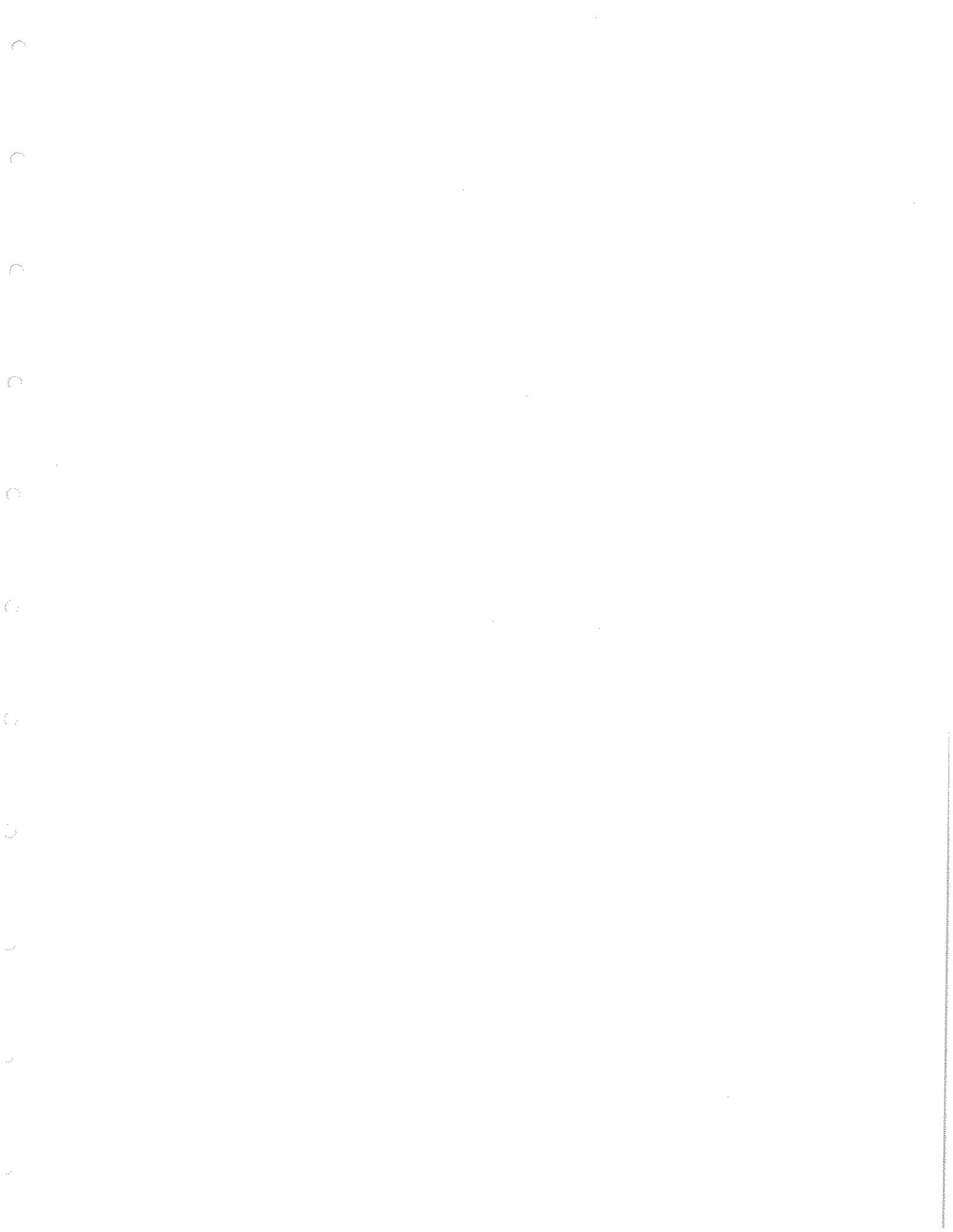
Certified a true copy of a Second Supplemental Resolution duly adopted by the Council of the City of Hurricane on the 22nd day of October, 2003.

Dated this 28th day of October, 2003.

[SEAL]


Recorder

10/21/03
435630.00001



CITY OF HURRICANE

Sewer Refunding Revenue Bonds, Series 2003 A

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned authorized representative of Branch Banking and Trust Company, Charleston, West Virginia (the "Original Purchaser"), for and on behalf of the Original Purchaser, and the undersigned Mayor of the City of Hurricane (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the 28th day of October, 2003, in Hurricane, West Virginia, the Original Purchaser received the entire original issue of \$290,000 in aggregate principal amount of the Issuer's Sewer Refunding Revenue Bonds, Series 2003 A, dated October 15, 2003, issued in the form of one bond, fully registered to the Original Purchaser, and numbered AR-1 (the "Bonds").
2. At the time of receipt of the Bonds, they had been executed by the Mayor of the Issuer and attested by the Recorder of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been impressed upon the Bonds.
3. The Issuer has received and hereby acknowledges receipt from Original Purchaser of the sum of \$290,000, being the entire principal amount of the Bonds (100% of par value), there being no interest accrued thereon.

Dated as of the day and year first written above.

BRANCH BANKING AND TRUST COMPANY

Russell R. Akers
Authorized Representative

CITY OF HURRICANE

Raymond Best
Mayor

10/09/03
435630.00001

CITY OF HURRICANE

Sewer Refunding Revenue Bonds, Series 2003 A

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

Branch Banking and Trust Company, as Registrar
Charleston, West Virginia

Ladies and Gentlemen:

On this the 28th day of October, 2003, there are delivered to you herewith as Registrar for the above-captioned Bonds:

1. Bond No. AR-1, constituting the entire original issue of the City of Hurricane Sewer Refunding Revenue Bonds, Series 2003 A, dated October 28, 2003, in the aggregate principal amount of \$290,000 (the "Bonds"), executed by the Mayor and Recorder of the City of Hurricane (the "Issuer") and bearing the official seal of the Issuer. The Bonds are authorized to be issued under and pursuant to an Ordinance enacted by the Issuer on October 6, 2003, as supplemented by a Supplemental Resolution adopted by the Issuer on October 6, 2003 and a Second Supplemental Resolution adopted by the Issuer on October 22, 2003 (collectively, the "Ordinance").
2. Copies of the Ordinance, certified by the Secretary of the Issuer.
3. A list of the names in which the Bonds are to be registered upon original issuance, together with taxpayer identification and other information as requested by you.
4. A signed, unqualified approving opinion of Steptoe & Johnson PLLC, as bond counsel.

You are hereby requested and authorized, pursuant to Section 3.12 of the Ordinance, to authenticate, register and deliver the Bonds to the Original Purchaser thereof.

Dated the day and year first above written.

CITY OF HURRICANE

By Raymond Best
Mayor

10/09/03
435630/00001

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF HURRICANE
SEWER REFUNDING REVENUE BONDS, SERIES 2003 A

No. AR-1

\$290,000

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF HURRICANE, a municipal corporation and political subdivision of the State of West Virginia in Putnam County of said State (the "City"), for value received, hereby promises to pay, solely from the sources and in the manner hereinafter set forth, to the order of

- BRANCH BANKING AND TRUST COMPANY -

or registered assigns (the "Registered Owner"), on April 1, 2012, the principal sum of TWO HUNDRED NINETY THOUSAND DOLLARS (\$290,000), as set forth on the "Debt Service Schedule" attached as Exhibit A hereto and incorporated herein by reference, together with interest payable thereon, in monthly installments, on the first day of each month, commencing November 1, 2003, from the date thereof at the rates per annum set forth as follows:

A. Interest on this Bond shall be payable at the rate of 4.10% per annum (hereinafter sometimes called the "Tax-Exempt Rate").

B. Notwithstanding any other provision herein, in the event the interest on this Bond is declared to be includible in gross income for federal income tax purposes by the Internal Revenue Service ("Determination of Taxability"), interest on this Bond shall be payable at the rate of 6.08% per annum (hereinafter sometimes called the "Taxable Rate"). Interest at the Taxable Rate shall commence to accrue on the date of Determination of Taxability and such interest rate shall be charged retroactively and prospectively for all periods in which interest paid on this Bond is asserted, declared or determined to be includible in gross income for federal income tax purposes, and shall continue until the entire principal of and interest on this Bond are paid, notwithstanding that the entire principal amount of this Bond

may have been paid in full prior to the Determination of Taxability. Any interest being past due on this Bond by reason of such increase shall become immediately due and payable.

The principal of and interest on this Bond are payable in any coin or currency which on the date of payment thereof is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of Branch Banking and Trust Company, Charleston, West Virginia, as Registrar and Paying Agent.

CH620

This Bond is subject to prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.

This Bond is issued to finance the costs of refunding the City of Hurricane's Sewer Revenue Bonds, Series 1977. The existing public waterworks facilities of the City 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 13 of the West Virginia Code of 1931, as amended (the "Act"), and an Ordinance duly enacted by the City on October 6, 2003, as supplemented by a Supplemental Resolution duly adopted by the City on October 6, 2003, and as supplemented by a Second Supplemental Resolution duly adopted by the City on October 22, 2003 (collectively, the "Legislation"), and is subject to all the terms and conditions thereof.

The principal of and interest on this Bond are payable only from and secured by a first lien on the Net Revenues of the System on a parity with the Sewer Revenue Bonds, Series 1989 A, dated December 28, 1989 (the "Series 1989 A Bonds"), and senior and prior, with respect to liens, pledge and source of and security for payment, to the Sewer Revenue Bonds, Series 1989 B, dated December 28, 1989 (the "Series 1989 B Bonds"). The Series 1989 A Bonds and the Series 1989 B Bonds are referred to collectively as the "Prior Bonds". The monies from these sources shall be deposited into the Bonds Payment Fund established under the Legislation for the prompt payment of the principal of and interest on this Bond.

This Bond does not constitute a corporate indebtedness of the City within the meaning of any constitutional, statutory or charter provisions or limitations, nor shall the City be obligated to pay the same or the interest hereon except from the sources set forth above. Under the Legislation, the City has entered into certain covenants with the Registered Owner, for the terms of which reference is made to said Legislation. Remedies provided the Registered Owner are exclusively as provided in the Legislation, to which reference is here made for a detailed description thereof.

Subject to the requirements for transfer set forth below, this Bond is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial

Code of the State of West Virginia. This Bond is transferable, as provided in the Legislation, only by transfer of registration upon the books of the Registrar, to be made at the request of the Registered Owner hereof in person or by his attorney duly authorized in writing, and upon surrender hereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or his duly authorized attorney.

All monies received from the sale of this Bond shall be applied solely to the refunding of the Series 1977 Bonds as described in the 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.

Under the Act, this Bond and the interest hereon are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

In accordance with Section 148(f)(4)(D) of the Code, the Issuer covenants that it is a governmental unit with general taxing powers; that no part of the Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and that the aggregate face amount of all the tax-exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Bonds are issued does not and will not exceed \$5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code and the Regulations from time to time in effect as applicable to the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at 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 Bonds, together with all other obligations of the City, do not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

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

This Bond shall not be valid or obligatory unless authenticated and registered by the Registrar by the execution of the Registrar's Certificate of Authentication and Registration attached hereto and incorporated herein.

IN WITNESS WHEREOF, the CITY OF HURRICANE has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated October 28, 2003.

[SEAL]

SPECIMEN
Raymond Peak

Mayor

ATTEST:

Linda L. Gibson

Recorder

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Bonds described in and issued under the provisions of the within-mentioned Legislation and has been duly registered in the name of the registered owner set forth above.

Date: October 28, 2003.

BRANCH BANKING AND TRUST COMPANY,
as Registrar

By Russell R. Owen II
Authorized Officer

SPECIMEN

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the within-mentioned Bond and does hereby irrevocably constitute and appoint _____, attorney, to transfer said Bond on the books of the Registrar on behalf of said City with full power of substitution in the premises.

Dated: _____, 20__.

IN THE PRESENCE OF:

10/22/03
435630.00001

EXHIBIT A

Hurricane Sewer Bond Refunding - Series 1977

Compound Period : Monthly

Nominal Annual Rate : 4.100 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	10/28/2003	290,000.00	1		
2 Payment	11/01/2003	3,362.10	102	Monthly	04/01/2012

AMORTIZATION SCHEDULE - Normal Amortization

Date	Payment	Interest	Principal	Balance
Loan 10/28/2003				290,000.00
1 11/01/2003	3,362.10	130.30	3,231.80	286,768.20
2 12/01/2003	3,362.10	979.79	2,382.31	284,385.89
2003 Totals	6,724.20	1,110.09	5,614.11	
3 01/01/2004	3,362.10	971.65	2,390.45	281,995.44
4 02/01/2004	3,362.10	963.48	2,398.62	279,596.82
5 03/01/2004	3,362.10	955.29	2,406.81	277,190.01
6 04/01/2004	3,362.10	947.07	2,415.03	274,774.98
7 05/01/2004	3,362.10	938.81	2,423.29	272,351.69
8 06/01/2004	3,362.10	930.53	2,431.57	269,920.12
9 07/01/2004	3,362.10	922.23	2,439.87	267,480.25
10 08/01/2004	3,362.10	913.89	2,448.21	265,032.04
11 09/01/2004	3,362.10	905.53	2,456.57	262,575.47
12 10/01/2004	3,362.10	897.13	2,464.97	260,110.50
13 11/01/2004	3,362.10	888.71	2,473.39	257,637.11
14 12/01/2004	3,362.10	880.26	2,481.84	255,155.27
2004 Totals	40,345.20	11,114.58	29,230.62	
15 01/01/2005	3,362.10	871.78	2,490.32	252,664.95
16 02/01/2005	3,362.10	863.27	2,498.83	250,166.12
17 03/01/2005	3,362.10	854.73	2,507.37	247,658.75
18 04/01/2005	3,362.10	846.17	2,515.93	245,142.82
19 05/01/2005	3,362.10	837.57	2,524.53	242,618.29
20 06/01/2005	3,362.10	828.95	2,533.15	240,085.14
21 07/01/2005	3,362.10	820.29	2,541.81	237,543.33
22 08/01/2005	3,362.10	811.61	2,550.49	234,992.84
23 09/01/2005	3,362.10	802.89	2,559.21	232,433.63
24 10/01/2005	3,362.10	794.15	2,567.95	229,865.68
25 11/01/2005	3,362.10	785.37	2,576.73	227,288.95
26 12/01/2005	3,362.10	776.57	2,585.53	224,703.42
2005 Totals	40,345.20	9,893.35	30,451.85	
27 01/01/2006	3,362.10	767.74	2,594.36	222,109.06
28 02/01/2006	3,362.10	758.87	2,603.23	219,505.83

Hurricane Sewer Bond Refunding - Series 1977

	Date	Payment	Interest	Principal	Balance
	29 03/01/2006	3,362.10	749.98	2,612.12	216,893.71
	30 04/01/2006	3,362.10	741.05	2,621.05	214,272.66
	31 05/01/2006	3,362.10	732.10	2,630.00	211,642.66
	32 06/01/2006	3,362.10	723.11	2,638.99	209,003.67
	33 07/01/2006	3,362.10	714.10	2,648.00	206,355.67
	34 08/01/2006	3,362.10	705.05	2,657.05	203,698.62
	35 09/01/2006	3,362.10	695.97	2,666.13	201,032.49
	36 10/01/2006	3,362.10	686.86	2,675.24	198,357.25
	37 11/01/2006	3,362.10	677.72	2,684.38	195,672.87
	38 12/01/2006	3,362.10	668.55	2,693.55	192,979.32
	2006 Totals	40,345.20	8,621.10	31,724.10	
	39 01/01/2007	3,362.10	659.35	2,702.75	190,276.57
	40 02/01/2007	3,362.10	650.11	2,711.99	187,564.58
	41 03/01/2007	3,362.10	640.85	2,721.25	184,843.33
	42 04/01/2007	3,362.10	631.55	2,730.55	182,112.78
	43 05/01/2007	3,362.10	622.22	2,739.88	179,372.90
	44 06/01/2007	3,362.10	612.86	2,749.24	176,623.66
	45 07/01/2007	3,362.10	603.46	2,758.64	173,865.02
	46 08/01/2007	3,362.10	594.04	2,768.06	171,096.96
	47 09/01/2007	3,362.10	584.58	2,777.52	168,319.44
	48 10/01/2007	3,362.10	575.09	2,787.01	165,532.43
	49 11/01/2007	3,362.10	565.57	2,796.53	162,735.90
	50 12/01/2007	3,362.10	556.01	2,806.09	159,929.81
	2007 Totals	40,345.20	7,295.69	33,049.51	
	51 01/01/2008	3,362.10	546.43	2,815.67	157,114.14
	52 02/01/2008	3,362.10	536.81	2,825.29	154,288.85
	53 03/01/2008	3,362.10	527.15	2,834.95	151,453.90
	54 04/01/2008	3,362.10	517.47	2,844.63	148,609.27
	55 05/01/2008	3,362.10	507.75	2,854.35	145,754.92
	56 06/01/2008	3,362.10	498.00	2,864.10	142,890.82
	57 07/01/2008	3,362.10	488.21	2,873.89	140,016.93
	58 08/01/2008	3,362.10	478.39	2,883.71	137,133.22
	59 09/01/2008	3,362.10	468.54	2,893.56	134,239.66
	60 10/01/2008	3,362.10	458.65	2,903.45	131,336.21
	61 11/01/2008	3,362.10	448.73	2,913.37	128,422.84
	62 12/01/2008	3,362.10	438.78	2,923.32	125,499.52
	2008 Totals	40,345.20	5,914.91	34,430.29	
	63 01/01/2009	3,362.10	428.79	2,933.31	122,566.21
	64 02/01/2009	3,362.10	418.77	2,943.33	119,622.88
	65 03/01/2009	3,362.10	408.71	2,953.39	116,669.49
	66 04/01/2009	3,362.10	398.62	2,963.48	113,706.01
	67 05/01/2009	3,362.10	388.50	2,973.60	110,732.41
	68 06/01/2009	3,362.10	378.34	2,983.76	107,748.65
	69 07/01/2009	3,362.10	368.14	2,993.96	104,754.69
	70 08/01/2009	3,362.10	357.91	3,004.19	101,750.50

Hurricane Sewer Bond Refunding - Series 1977

Date	Payment	Interest	Principal	Balance
71 09/01/2009	3,362.10	347.65	3,014.45	98,736.05
72 10/01/2009	3,362.10	337.35	3,024.75	95,711.30
73 11/01/2009	3,362.10	327.01	3,035.09	92,676.21
74 12/01/2009	3,362.10	316.64	3,045.46	89,630.75
2009 Totals	40,345.20	4,476.43	35,868.77	
75 01/01/2010	3,362.10	306.24	3,055.86	86,574.89
76 02/01/2010	3,362.10	295.80	3,066.30	83,508.59
77 03/01/2010	3,362.10	285.32	3,076.78	80,431.81
78 04/01/2010	3,362.10	274.81	3,087.29	77,344.52
79 05/01/2010	3,362.10	264.26	3,097.84	74,246.68
80 06/01/2010	3,362.10	253.68	3,108.42	71,138.26
81 07/01/2010	3,362.10	243.06	3,119.04	68,019.22
82 08/01/2010	3,362.10	232.40	3,129.70	64,889.52
83 09/01/2010	3,362.10	221.71	3,140.39	61,749.13
84 10/01/2010	3,362.10	210.98	3,151.12	58,598.01
85 11/01/2010	3,362.10	200.21	3,161.89	55,436.12
86 12/01/2010	3,362.10	189.41	3,172.69	52,263.43
2010 Totals	40,345.20	2,977.88	37,367.32	
87 01/01/2011	3,362.10	178.57	3,183.53	49,079.90
88 02/01/2011	3,362.10	167.69	3,194.41	45,885.49
89 03/01/2011	3,362.10	156.78	3,205.32	42,680.17
90 04/01/2011	3,362.10	145.82	3,216.28	39,463.89
91 05/01/2011	3,362.10	134.83	3,227.27	36,236.62
92 06/01/2011	3,362.10	123.81	3,238.29	32,998.33
93 07/01/2011	3,362.10	112.74	3,249.36	29,748.97
94 08/01/2011	3,362.10	101.64	3,260.46	26,488.51
95 09/01/2011	3,362.10	90.50	3,271.60	23,216.91
96 10/01/2011	3,362.10	79.32	3,282.78	19,934.13
97 11/01/2011	3,362.10	68.11	3,293.99	16,640.14
98 12/01/2011	3,362.10	56.85	3,305.25	13,334.89
2011 Totals	40,345.20	1,416.66	38,928.54	
99 01/01/2012	3,362.10	45.56	3,316.54	10,018.35
100 02/01/2012	3,362.10	34.23	3,327.87	6,690.48
101 03/01/2012	3,362.10	22.86	3,339.24	3,351.24
102 04/01/2012	3,362.10	10.86	3,351.24	0.00
2012 Totals	13,448.40	113.51	13,334.89	
Grand Totals	342,934.20	52,934.20	290,000.00	

West Virginia

At a circuit court con-
tinued and held in and for the coun-
ty of Putnam, at the court house
thereof on Tuesday the 25th day
of September 1888.

Dr. S. Turley, R. V. Dossey
S. W. Blair and W. H. M. Callister

Ex parte

A certificate under oath of C. W.
Taylor, A. B. Burgess and J. H. Myres
was this day filed showing that a
majority of all the qualified voters
residing in the following boundary,
to wit: Beginning at the north west
corner of the Baptist church lot,
thence S 34° E 49 poles to a stake,
thence N 64° E 200 poles to a stake,
thence N 34° W. 128 poles to a stake
thence S 64° W. 200 poles to a stake
thence S 34° E 79 poles to the be-
ginning, have been given in due
form of law in favor of the incor-
poration of the Town of Hurricane
in the county of Putnam, bounded
as herein set forth. And it appearing
to the satisfaction of the court

that all the provisions of chapter forty seven of the code of West Virginia have been complied with by the applicants for said incorporation, the said town is duly authorized within the corporate limits aforesaid to exercise all the corporate powers conferred by the said chapter from and after the date of this certificate.

And the court doth ~~thereby~~ appoint and designate C. W. Taylor, J. H. Myers and C. M. Reynolds, these legal voters residing within the territory aforesaid who shall act as commissioners of election at the first election to be held in said town of Hurricane as provided for and directed in section ten of chapter forty-seven of said code.

Given under my hand and official seal this the 1st day of October 1888.

H. L. Judge Clerk
By Allen Parry Deputy.

September Term. 2nd day 25th day of September

A certificate of incorporation for said town of Hurricane in form or substance as follows:

"A certificate under oath of C. H. Taylor, A. B. Burgess and J. H. Myers was this day filed showing that a majority of all the qualified voters residing in the former boundary tract: Beginning at the north west corner Baptist Church lot, thence S 34° E, 49 poles to a stake, thence N 64° E, 20 poles to a stake, thence N 34° W, 128 poles to a stake, thence S 64° W, 20 poles to a stake, thence S 34° E, 79 poles to the beginning has been given in due form of law in favor of incorporation of the town of Hurricane in the County of ... bounded as herein set forth.

And the Court doth hereby appoint and designate Taylor, J. H. Myers & C. H. Reynolds three legal voters residing within the territory aforesaid who shall act as commissioners of election at the first election to be held in said town of Hurricane as provided for and directed in section ... of Chapter forty seven of said code.

And it appearing to the Court that this order which was directed to be entered on yesterday has been inadvertently omitted to be entered the Clerk is directed to enter the same nunc pro tunc.

State
vs) Felony
Charles Coan

This day came the attorney for the State and the defendant in his own proper person and to the Court and the Clerk and Custody of the Sheriff of this County and thereupon the defendant pleaded guilty as charged in the indictment against him as alleged, but acknowledged himself to be guilty of Petit larceny. And neither party desiring a jury but consenting to substitute the Court in lieu thereof, the Court after hearing all the evidence offered and the argument of Counsel finds the defendant guilty. It is therefore considered by the Court that the defendant be confined in the common jail of this County for the period of thirty days, and it is further ordered that the State recover her cost about this suit in this behalf.



Hurricane

3255 Teays Valley Road • P.O. Box 1086 • Hurricane, West Virginia 25526
Telephone 304-562-5896 • 304-562-5988 FAX 304-562-5858 e-mail info@hurricanewv.com

Mayor **Raymond Peak**
Recorder **Linda Gibson**
Council **David Boyles**
Wanda Johnson
Wayne Lively
Reggie Billups
Frank Sergent

OATH OF OFFICE

I, David Boyles, solemnly swear or affirm that I will support the Constitution of the United States of America and the State of West Virginia and will faithfully discharge the duties of the office of Councilman of the City of Hurricane to the best of my skill and judgement.

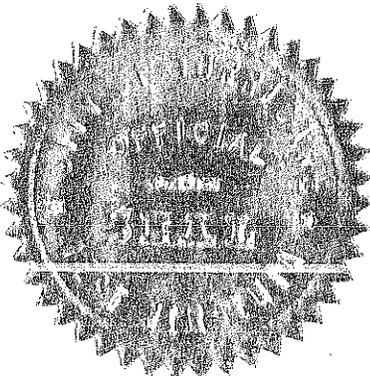


DAVID BOYLES

4 AUG 03

DATE

Taken, subscribed and sworn to before O.C. Spaulding, Judge of the 29th
Judicial Circuit, this ^{4th AUGUST} 30th of ~~June~~, 2003, in Putnam County, West Virginia.





O.C. SPAULDING, Judge

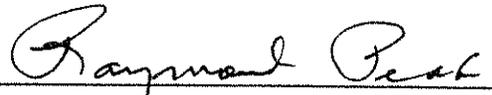
Hurricane

3255 Teays Valley Road • P.O. Box 1086 • Hurricane, West Virginia 25526
Telephone 304-562-5896 • 304-562-5988 FAX 304-562-5858 e-mail info@hurricanewv.com

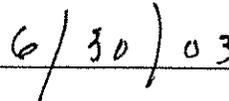
Mayor **Raymond Peak**
Recorder **Linda Gibson**
Council **David Boyles**
Wanda Johnson
Wayne Lively
Reggie Billups
Frank Sergent

OATH OF OFFICE

I, **Raymond Peak**, solemnly swear or affirm that I will support the Constitution of the United States of America and the State of West Virginia and will faithfully discharge the duties of the office of Mayor of the City of Hurricane to the best of my skill and judgement.

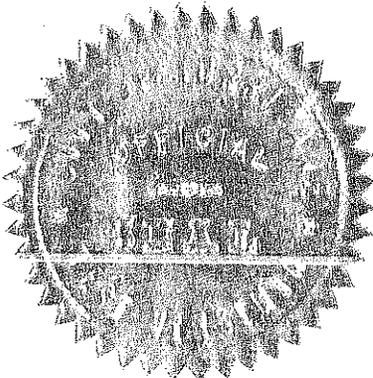


RAYMOND PEAK



DATE

Taken, subscribed and sworn to before O.C. Spaulding, Judge of the 29th Judicial Circuit, this 30th of June, 2003, in Putnam County, West Virginia.





O.C. SPAULDING, Judge

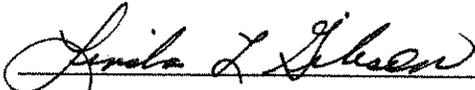
Hurricane

3255 Teays Valley Road • P.O. Box 1086 • Hurricane, West Virginia 25526
Telephone 304-562-5896 • 304-562-5988 FAX 304-562-5858 e-mail info@hurricanewv.com

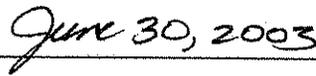
Mayor **Raymond Peak**
Recorder **Linda Gibson**
Council **David Boyles**
Wanda Johnson
Wayne Lively
Reggie Billups
Frank Sergent

OATH OF OFFICE

I, Linda Gibson, solemnly swear or affirm that I will support the Constitution of the United States of America and the State of West Virginia and will faithfully discharge the duties of the office of Recorder of the City of Hurricane to the best of my skill and judgement.

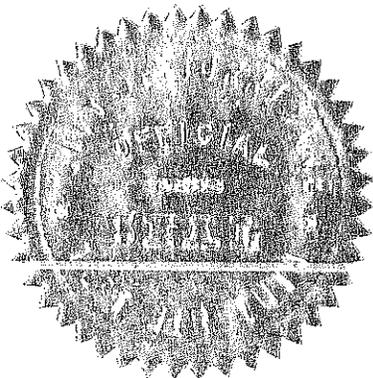


LINDA GIBSON



DATE

Taken, subscribed and sworn to before O.C. Spaulding, Judge of the 29th Judicial Circuit, this 30th of June, 2003, in Putnam County, West Virginia.





O.C. SPAULDING, Judge



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Mayor Raymond Peak
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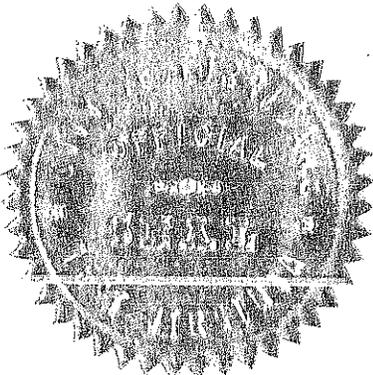
OATH OF OFFICE

I, Wanda Johnson, solemnly swear or affirm that I will support the Constitution of the United States of America and the State of West Virginia and will faithfully discharge the duties of the office of Councilwoman of the City of Hurricane to the best of my skill and judgement.

WANDA JOHNSON

DATE

Taken, subscribed and sworn to before O.C. Spaulding, Judge of the 29th Judicial Circuit, this 30th of June, 2003, in Putnam County, West Virginia.



O.C. SPAULDING, Judge

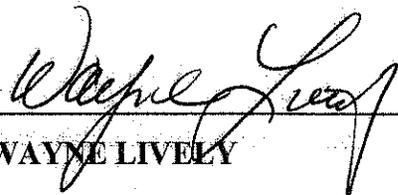
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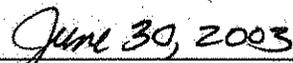
Mayor **Raymond Peak**
Recorder **Linda Gibson**
Council **David Boyles**
Wanda Johnson
Wayne Lively
Reggie Billups
Frank Sergent

OATH OF OFFICE

I, **Wayne Lively**, solemnly swear or affirm that I will support the
Constitution of the United States of America and the State of West Virginia and will
faithfully discharge the duties of the office of Councilman of the City of Hurricane
to the best of my skill and judgement.

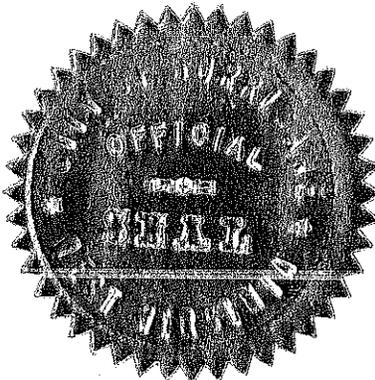


WAYNE LIVELY



DATE

Taken, subscribed and sworn to before O.C. Spaulding, Judge of the 29th
Judicial Circuit, this 30th of June, 2003, in Putnam County, West Virginia.





O.C. SPAULDING, Judge

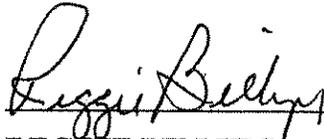
Hurricane

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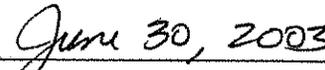
Mayor **Raymond Peak**
Recorder **Linda Gibson**
Council **David Boyles**
Wanda Johnson
Wayne Lively
Reggie Billups
Frank Sergent

OATH OF OFFICE

I, Reggie Billups, solemnly swear or affirm that I will support the Constitution of the United States of America and the State of West Virginia and will faithfully discharge the duties of the office of Councilman of the City of Hurricane to the best of my skill and judgement.

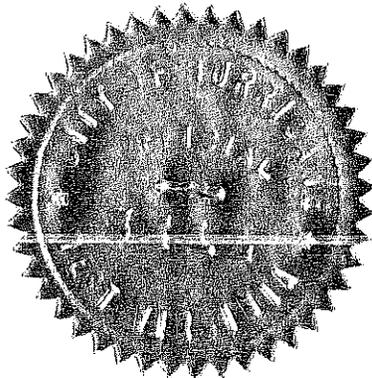


REGGIE BILLUPS



DATE

Taken, subscribed and sworn to before O.C. Spaulding, Judge of the 29th Judicial Circuit, this 30th of June, 2003, in Putnam County, West Virginia.





O.C. SPAULDING, Judge

Hurricane

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Telephone 304-562,5896 • 304-562-5988 FAX 304-562-5858 e-mail info@hurricanewv.com

Mayor **Raymond Peak**
Recorder **Linda Gibson**
Council **David Boyles**
Wanda Johnson
Wayne Lively
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Frank Sergent

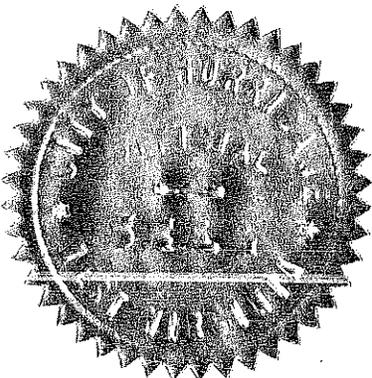
OATH OF OFFICE

I, Frank Sergent, solemnly swear or affirm that I will support the Constitution of the United States of America and the State of West Virginia and will faithfully discharge the duties of the office of Councilman of the City of Hurricane to the best of my skill and judgement.


FRANK SERGENT


DATE

Taken, subscribed and sworn to before O.C. Spaulding, Judge of the 29th Judicial Circuit, this 30th of June, 2003, in Putnam County, West Virginia.




O.C. SPAULDING, Judge

Hurricane, West Virginia

The Common Council of the Town of Hurricane, in Putnam County, West Virginia, met in regular session pursuant to law, and the rules of said Council, in the Town Hall, in said Town, at 7:30 o'clock, P. M., on August 1, 1960.

The meeting was called to order by the Mayor, and the roll being called, there were present, George T. Peak, Jr., Mayor, and the following Councilmen:

R. W. Parker

Walter Clark

C. D. Gibson

M. S. Potts

E. E. Allen

Also Present, A. L. Neville, Recorder

Absent, None.

Councilman Gibson introduced, caused to be read a proposed Ordinance as follows:

"AN ORDINANCE CREATING AND APPOINTING A SANITARY BOARD FOR THE TOWN OF HURRICANE, STATE OF WEST VIRGINIA, TO ACQUIRE, CONSTRUCT, EQUIP, ADMINISTER, OPERATE AND MAINTAIN A SEWAGE COLLECTION, PURIFICATION, TREATMENT AND DISPOSAL SYSTEM OR SYSTEMS WITHIN AND WITHOUT THE TOWN OF HURRICANE; TO INVEST IN SUCH BOARD THE CUSTODY, ADMINISTRATION, OPERATION, MAINTENANCE, SUPERVISION AND CONTROL OF SUCH SYSTEM OR SYSTEMS, AND TO FINANCE THE COST OF THE ACQUISITION, CONSTRUCTION AND EXTENSION OF ALL SUCH WORKS BY THE ISSUANCE OF REVENUE BONDS, AS PROVIDED BY ARTICLE 13 OF CHAPTER 16 OF THE CODE OF WEST VIRGINIA; PROVIDING THE METHOD OF APPOINTMENT, TERM OF OFFICE AND COMPENSATION OF MEMBERS OF SAID BOARD; PROVIDING FOR BOND; AND PROVIDING FOR POWER TO THE BOARD TO MAKE ITS OWN RULES AND REGULATIONS:

WHEREAS, it is the desire of the Town of Hurricane to own, acquire, construct, equip, operate and maintain a sewage collection system or systems, sewage treatment and/or purification plant or plants, intercepting sewers, outfall sewers, force mains, pumping stations, ejector stations and all other appurtenances necessary or useful and convenient for the collection, treatment, purification and disposal, in a sanitary manner, of the liquid and solid waste, night

soil and industrial waste of the Town of Hurricane and/or of the sanitary district which may be created, and to finance the acquisition, construction and extension of such system or systems, works and appurtenances by the issuance of revenue bonds, and to provide for the establishment and collection of rates for the use of such works and service rendered thereby, all as provided by Article 13, Chapter 16, Code of West Virginia, as amended:

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE TOWN OF HURRICANE:

Section 1. There is hereby created and appointed the Sanitary Board of the Town of Hurricane consisting of the Mayor of the Town of Hurricane, who shall act as Chairman of said Board, J. R. Pritchard, a resident of the Town of Hurricane, who shall serve for a term of three years, and Jack W. Blair, a registered engineer, who shall serve for a term of two years, neither of said members having been an officer or employee of the Town of Hurricane within a period of one year prior to the date of the introduction of this ordinance.

Section 2. Upon the expiration of the terms of said appointees, other than the Mayor, and each succeeding term, a successor shall be appointed by the Council for a full term of three years, but during the construction period of the works constructed under the supervision and direction of said Board one member thereof shall be a registered professional engineer. The chairman of the Board shall always be the then Mayor of the Town of Hurricane and vacancies to fill unexpired terms shall be filled by the Council.

Section 3. The Board shall elect a vice chairman from its members and shall designate a secretary and treasurer (who may be one and the same person), who need not be members of the Board and who shall hold office at the will of the Board.

Each member of the Board, other than the Mayor, shall receive a salary of \$25.00, per month, and shall be entitled to payment for his reasonable expenses incurred in the performance of his duties.

The Secretary and Treasurer shall be paid such reasonable compensation for services as from time to time may be fixed by the Council and Treasurer shall give bond, with qualified corporate surety, in the amount of \$5,000.00, or such other amount as the Council subsequently may require, conditioned for the proper application of all monies received by him as such and for the faithful performance of the duties of his office.

All compensation, and all expenses, incurred by the Board, its officers and employees, shall be paid solely from funds authorized to be collected and received by the Board as provided by said Article 13, Chapter 16 of the Code of West Virginia.

Section 4. The construction, acquisition, improvement, equipment, custody, operation, maintenance and administration of all works for the collection, treatment or disposal of sewage within and without the Town of Hurricane, and in the sanitary district which may be acquired, constructed, operated or maintained by said Board, the employment of all engineers, architects, inspectors, superintendents, manager, collectors, attorneys and other employees in the judgment of the Board necessary to the execution of its powers and duties, and the collection of all revenues from the works acquired, constructed, operated or maintained by it, shall be under the supervision and control of the Board.

Section 5. In addition to the authority and powers enumerated herein, the Board created by this ordinance shall be invested with all other powers and authority provided for such Board by said Article 13, Chapter 16 of the Code of West Virginia, as amended, or as the same may be amended.

Section 6. The Sanitary Board shall have the power to establish by-laws, rules and regulations governing its members, employees, meetings and the conduct of its business.

Section 7. This ordinance shall be effective from passage.

And thereupon, Councilman Gibson moved that all rules that might otherwise require deferred consideration of said Ordinance be suspended, and that said Ordinance as read be adopted. Councilman M. S. Potts seconded the motion, and after due consideration the Mayor put the question on the motion, and the roll being called the following voted:

Aye: R. W. Parker

Walter Clark

C. D. Gibson

M. S. Potts

E. E. Allen

Nay: None

Whereupon, the Mayor declared the motion duly carried and said Ordinance adopted.

On motion and vote the meeting adjourned.

George J. Peak, Jr.
MAYOR

D. N. O'wille



3255 Teays Valley Road • P.O. Box 1086 • Hurricane, West Virginia 25526
Telephone 304-562-5896 • 304-562-5988 FAX 304-562-5858 e-mail info@hurricanewv.com

Mayor **Raymond Peak**
Recorder **Linda Gibson**
Council **David Boyels**
Wanda Johnson
Wayne Lively
Reggie Billups
Frank Sergent

OATH OF OFFICE

I, Jack Gibson do solemnly swear or affirm that I will support the Constitution of the United States of America and the State of West Virginia and will faithfully discharge the duties of the office of Hurricane Sanitary Board Member of the City of Hurricane to the best of my skill and judgement.

JACK H. GIBSON

DATE

Taken, subscribed and sworn to before Raymond Peak, Mayor of the City of Hurricane on this 30th day of June, 2001.

RAYMOND PEAK, MAYOR



3255 Teays Valley Road • P.O. Box 1086 • Hurricane, West Virginia 25526
Telephone 304-562-5896 • 304-562-5988 FAX 304-562-5858 e-mail info@hurricanewv.com

Mayor **Raymond Peak**
Recorder **Linda Gibson**
Council **David Boyels**
Wanda Johnson
Wayne Lively
Reggie Billups
Frank Sergent

OATH OF OFFICE

I, Lewis Powers, do solemnly swear or affirm that I will support the Constitution of the United States of America and the State of West Virginia and will faithfully discharge the duties of the office of Hurricane Sanitary Board Member of the City of Hurricane to the best of my skill and judgement.

Lewis Powers
LEWIS POWERS

6 30 - 2002
DATE

Taken, subscribed and sworn to before Raymond Peak, Mayor of the City of Hurricane on this 30th day of June, 2002.

Raymond Peak
RAYMOND PEAK, MAYOR

CITY OF HURRICANE

RESOLUTION ON OPEN GOVERNMENTAL PROCEEDINGS RULES

Pursuant to Chapter 6, Article 9A, Section 3 of the West Virginia Code, the Council of the City of Hurricane does hereby adopt the following rules to make available, in advance, the date, time, place and agenda of all regularly scheduled meetings of the Council, and the date, time, place and purpose of all special meetings of the Council to the public and news media (except in the case of an emergency requiring immediate action) as follows:

1. Regular Meetings. A notice shall be posted and maintained by the Recorder at the front door or bulletin board of the City Hall of the date, time and place fixed and entered of record by Council 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 location by the Recorder not less than 72 hours before such regular meeting is to be held. If a particular regularly scheduled meeting is canceled or postponed, a notice of such cancellation or postponement shall be posted at the same location as soon as feasible after such cancellation or postponement has been determined.

2. Special Meetings. A notice shall be posted by the City Clerk at the front door or bulletin board of the City Hall not less than 72 hours before a special 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 canceled, a notice of such cancellation shall be posted at the same location as soon as feasible after such cancellation has been determined.

These rules regarding notice of meetings shall replace any and all previous rules heretofore adopted by Council.

Adopted this 6th day of October, 2003.

Raymond Cook
Mayor

ATTEST:

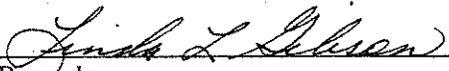
Linda L. Gibson
Recorder

CERTIFICATION

I, Linda L. Gibson, duly appointed Recorder of the City of Hurricane do hereby certify that the foregoing is a true and accurate copy of a Resolution adopted by the City Council of the City of Hurricane at a regular meeting of City Council held October 6, 2003, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated this 15th day of October, 2003.

[SEAL]


Recorder

10/09/03
435630.00001

BYLAWS AND RULES OF PROCEDURE
CITY OF HURRICANE SANITARY BOARD

ARTICLE I

NAME, PLACE OF BUSINESS AND FISCAL YEAR

Section 1. Name: CITY OF HURRICANE SANITARY BOARD

Section 2. The principal office of the City of Hurricane Sanitary Board will be located at the Hurricane Town Hall, ~~Main Street~~, Hurricane, West Virginia ~~25560~~.
3255 Teays Valley Road 25526

Section 3. The fiscal year of the City of Hurricane Sanitary Board shall begin on July 1 of each year and shall end on the following June 30.

ARTICLE II

PURPOSE

The City of Hurricane Sanitary Board is organized exclusively for the purposes set forth in Chapter 16, Article 13 of the West Virginia Code of 1931, as amended (the "Act")

ARTICLE III

MEMBERSHIP

Section 1. The members of the Sanitary Board shall be composed of the Mayor and two persons appointed by the governing body pursuant to the Act, who shall serve for such terms as specified in the Act.

Section 2. Should any member of the Sanitary Board resign or otherwise become legally disqualified to serve as a member of the Sanitary Board, the Sanitary Board shall appoint a qualified person to fill such vacancy for the unexpired term thereof in the same manner as the original appointment, and as further prescribed under the Act.

ARTICLE IV

MEETINGS OF THE SANITARY BOARD

Section 1. The members of the Sanitary Board shall hold regular meetings on Second Monday 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 Sanitary Board may be called at any time by the Chairman or by a quorum of the Sanitary Board. All meetings shall be open to the public and news media.

Section 2. At any meeting of the Sanitary Board, two members shall constitute a quorum. Each member of the Sanitary 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 purpose or 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 the Sanitary Board, and the date, time, place and purpose of all special meetings of the Sanitary 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 Sanitary Board at the front door or bulletin board of the City Hall of the date, time and place fixed and entered of record by the Sanitary 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 Sanitary Board not less than 72 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 Sanitary Board at the front door or bulletin board of the City Hall not less than 72 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 Sanitary Board shall be a Chairman, a Vice Chairman, a Secretary and a Treasurer. The Chairman shall be the Mayor. The Vice Chairman shall be elected from the members of the Sanitary Board. The Secretary and Treasurer need not be members of the Sanitary Board, and may be the same person.

Section 2. The Vice Chairman, Secretary and Treasurer of the Sanitary Board shall hold office as such at the will of the Sanitary Board. Any vacancy occurring among the officers shall be filled by the members of the Sanitary Board at a regular or special meeting in the same manner as the original appointment.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. When present, the Chairman shall preside as Chairman at all meetings of the Sanitary 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 Sanitary Board and exercise such powers as may be conferred by the Sanitary 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 Sanitary Board when and if directed by the members of the Sanitary Board.

Section 2. The Secretary shall keep a record of all proceedings of the Sanitary 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 Sanitary Board and all deeds and other writings and papers of the Sanitary 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 Sanitary Board, these Rules of Procedure or as prescribed by law.

Section 3. The Treasurer shall be the lawful custodian of all funds of the Sanitary Board and shall disburse funds of the Sanitary Board on orders authorized or approved by the Sanitary 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 Sanitary Board as the members may from time to time prescribe. He or she 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 Sanitary Board, these Rules of Procedure or as prescribed by law.

Section 4. If the Chairman is absent from any meeting, the Vice Chairman shall act as Chairman and shall have all the powers of the Chairman during such period of absence. If the Secretary or Treasurer is absent from any meeting, the remaining members of the Sanitary Board shall select a

temporary 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 BY LAWS AND RULES OF PROCEDURE

These Bylaws and Rules of Procedure may be altered, changed, amended, repealed or added to at any regular or special meeting of the Sanitary Board by a majority vote of the entire Sanitary 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 Bylaws and Rules of Procedure shall replace any and all previous rules of procedure, bylaws or similar rules heretofore adopted by the Sanitary Board. In the event of a conflict between these Bylaws and Rules of Procedure and any provisions of the Charter, such Charter provisions shall prevail.

Adopted this 2nd day of September, 2003.

8/25/03
435630.00001

**HURRICANE Sewer Utility Rates to Increase
On the February 1, 2002 Billing**

To All Hurricane Sewer Customers:

Hurricane City Council adopted a rate change ordinance for the sewer utility at a Special Council meeting on December 17th, 2001.

The last rate increase was adopted in December, 1998 and the revenue has assisted in the establishment of the collection maintenance crew and equipment to survey and detect inadequacies of the sewer lines within the City.

The new rates will become effective on the February 1st billing, unless otherwise ordered by the West Virginia Public Service Commission.

The new rates will produce approximately \$6,856.87 monthly or \$82,282.44 annually, an increase of 16%. The minimum sewer bill will be \$11.85 for up to 2,000 gallons and the average bill of 4,500 gallons will be \$25.98. Tap fees and customer deposits will remain the same.

The revenue will be used to make upgrades at the Wastewater Treatment Facility. The WV Department of Environmental Protection has mandated the installation of a new 1,200,000 gallon holding tank to cost \$842,000. New equipment is needed for processing the sludge by a drying method, at a cost of \$936,000. Replacement of a 30" line on Hurricane Creek to a 42" line is estimated at a cost of \$865,500. Other improvements to be scheduled include the collection lines at Tackett's Branch, Fairview Drive and Main Street and the main lift station on State Route 34.

The wastewater facility construction was completed in 1979, with some upgrading in 1989. Since that time there have been many changes in the federal and state regulations for keeping the stream effluent 100% safe for the environment. Hurricane has a commitment to complying with the order of the WV Department of Environmental Protection.

The Public Service Commission shall review and approve or modify the increased rates only upon the filing of a petition, by not less than 25 percent of the customers served by the utility, within 30 days of the adoption of the ordinance changing the sewer rate.

All petitions should be addressed to the Executive Secretary, Public Service Commission of West Virginia, 201 Brooks Street, P. O. Box 812, Charleston, WV 25323.

The new rate and copies of the ordinances are available at the utility office at City Hall, 2801 Virginia Avenue, Hurricane, WV 25526. Customers who have questions about the new rates can call 562-5896. Legal advertisements have been placed in local papers for customers' information.

**ARTICLE 935
SEWER RATES**

935.14 SCHEDULE OF RATES AND CHARGES; USE OF WATER METERS.

For the payment of the proper and reasonable expense of operation, repair, replacement, improvements, additions, betterments, extensions and the maintenance of the sewer system and for the payment of the sums required to pay the principal and interest of all sewer revenue bonds as they become due, Council shall enact and may from time to time amend a schedule of just and equitable rates or charges for the use of and service rendered by the municipal sewer system and works of the City, which schedule of rates or charges shall be based upon the metered amount of water supplied the premises; and each schedule shall be maintained on file in the office of the City Recorder/Treasurer while in effect.

- (a) Applicability of Rates. Applicable inside and outside the corporate limits of the City of Hurricane, where municipal sewer service is available.
- (b) Availability of Service. Available for general domestic, commercial, and industrial sanitary sewer service.
- (c) Schedule of Rates.

	Per 1,000 Gallons
(1) First 2,000 gallons	5.925
Each additional 1,000 gallons	5.65
Minimum bill 2,000 gallons	11.85

(2) Delayed payment penalty: The above schedule is net. On all accounts not paid in full within twenty days from the date of the bill, ten percent (10%) shall be added to the net amount shown. This delayed payment penalty is not interest and is only to be collected once for each bill where it is appropriate.

(d) Multiple Occupancy. Where multiple service is rendered through one water meter, the monthly sewer bill shall not be less than the minimum charge provided for above, multiplied by the number of families, apartment units, residences, stores, offices, mobile homes or other units receiving water service through such meter. Motels and hotels would pay on the basis of water used.

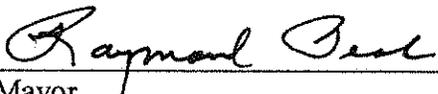
(e) Service Connection. The fee for a tap connection shall be two hundred and fifty dollars (\$250.00). The fee for customer service shall be a twenty-five dollar (\$25.00) deposit. This deposit shall be refunded at the end of one year, plus interest as required by the Public Service Commission of the State of West Virginia, to property owners keeping their account currently paid, or to rental users after moving and payment of final bill is received.

Page Two
Article 935.14

First Reading: December 3, 2001

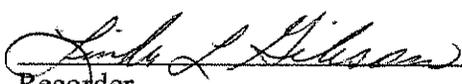
Public Hearing: December 17, 2001

Second Reading and Adoption: December 17, 2001



Mayor

Attest:



Recorder

JAN 25 2002

Special Studies Section

P.S.C. W. Va. No. 7
Canceling P.S.C. W. Va. No. 6

CITY OF HURRICANE, a municipal utility

OF

HURRICANE, WEST VIRGINIA

RATES, RULES AND REGULATIONS FOR FURNISHING
SEWERAGE AND SEWAGE DISPOSAL SERVICE

at Hurricane and vicinity, Putnam County, West Virginia

Filed with THE PUBLIC SERVICE COMMISSION
of
WEST VIRGINIA

Issued January 22, 2002

Effective for service rendered on or after January 31, 2002
or as otherwise provided herein

Adopted by City Council

Issued by CITY OF HURRICANE, a municipal utility

By Raymond Best

Mays
Title

RULES AND REGULATIONS

I. Rules and Regulations for the Government of Sewerage Utilities, adopted by the Public Service Commission of West Virginia, and now in effect, and all amendments thereto and modifications thereof hereafter made by said Commission.

II. Multiple Occupancy

Where multiple service is rendered through one water meter, the monthly sewer bill shall not be less than the minimum charge, multiplied by the number of families, apartment units, residences, stores, offices, mobile homes or other units receiving water service through such meter. Motels and hotels would pay on the basis of water used.

(C) APPLICABILITY OF RATES

Applicable inside and outside the corporate limits of the City of Hurricane, where municipal sewer service is available.

AVAILABILITY OF SERVICE

Available for general domestic, commercial, and industrial sanitary sewer service

(A,C) RATES

First	2,000 gallons	5.925 per 1,000 Gallons
Each additional	1,000 gallons	5.65 per 1,000 Gallons
Minimum bill	2,000 gallons	11.85

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full within twenty days from the date of the bill, ten percent (10%) shall be added to the net amount shown. This delayed payment penalty is not interest and is only to be collected once for each bill where it is appropriate.

(A) SERVICE CONNECTION

The fee for a tap connection shall be two hundred and fifty dollars (\$250.00). The fee for customer service shall be a twenty-five dollar (\$25.00) deposit. This deposit shall be refunded at the end of one year, plus interest as required by the Public Service Commission of the State of West Virginia, to property owners keeping their account currently paid, or to rental users after moving and payment of final bill is received.

- (C) Indicates change in text
- (A) Indicates increase

HURRICANE CITY COUNCIL

~~Agenda~~

December 3, 2001

The Hurricane City Council met in regular session with the following members present:

Recorder: Linda Gibson
Council: Reggie Billups
Carl Gilfilen
Wanda Johnson
Frank Sergent

The Pledge of Allegiance was led by Councilman Gilfilen.

Motion was made by Carl Gilfilen and seconded by Wanda Johnson to approve minutes of the November 5, 2001, regular session. Motion carried.

Motion was made by Frank Sergent and seconded by Wanda Johnson that bills from the General Fund be paid. Motion carried.

Motion was made by Reggie Billups and seconded by Wanda Johnson that the bills from the Coal Severance Fund be paid. Motion carried.

Motion was made by Reggie Billups and seconded by Wanda Johnson to approve the General Fund Budget Revision and submit to the State Tax Department. Motion carried.

Motion was made by Frank Sergent and seconded by Wanda Johnson to hear the first reading of ARTICLE 935 SEWER RATES 935.14 SCHEDULE OF RATES AND CHARGES; USE OF WATER METERS. Motion carried.

Motion was made by Reggie Billups and seconded by Carl Gilfilen to have a Public Hearing on December 17, 6:30 p. m., and Special Meeting at 7:00 p.m. for the second reading of ARTICLE 935. SEWER RATES 935.14 SCHEDULE OF RATES AND CHARGES USE OF WATER METERS. Motion carried.

Motion was made by Reggie Billups and seconded by Wanda Johnson to give employees \$30.00 for a Christmas Turkey or Ham . Motion carried.

Noah Allen, a third grade student from Conner Street Elementary School, presented a letter requesting the city to paint the overhead bridge red, white and blue. He explained that his teacher gave them an assignment asking that they find changes that have occurred in the City of Hurricane. His mother told him that she remembers that the overhead bridge going across from Putnam Avenue to Main Street was red, white and blue. He feels that it would be appropriate for the city do this again because of the September 11 terrorist attacks on the United States of

America to show our support for patriotism. Recorder Linda Gibson, acting mayor, thanked Noah for his patriotism and interest in the city. She told him that his great grandfather, Tony Allen, had served on Hurricane City Council for many years and would be very proud of his great-grandsons patriotism and support for Hurricane. Mrs. Gibson told him that council would take the matter under consideration and send him a letter.

Gary Walton, Director of the Putnam County Development Authority, presented members of Council with copies of their Annual Report and their last newsletter. He told of their option for the Cook Property and that the option expires on January 25, 2002. At this time he has no report as to interest for the property. At the time of their option it was contingent upon the West Virginia Lottery Commission utilizing part of the property for a new building, but he has not had any further commitment from them. He also told of the Putnam County Industrial Park at Fraziers Bottom.. They have completed work on the wetlands and still need to do some other surveys to complete the project. They have received lots of inquires and interest in the facility.

Frank Stover, Chief of Hurricane Volunteer Fire Department, invited council members to their Annual Christmas Dinner on December 15 at Forrest Burdette United Methodist Church at 6:00 p.m. Mrs. Gibson thanked Mr. Stover for the invitation and thanked the members of the Fire Department for their service to the community.

Mary Lilly – 111 Woodside Terrace sent a letter to council requesting that something be done about a Van parked in front of her house that leaks oil causing a nuisance. She stated that she contacted council in July about the situation, but nothing has been done. Ed Norris, Street Commissioner, will send the owner a letter and follow up on the situation.

Brenda Campbell, Director of Planning & Tourism sent council a letter reporting there were record numbers in attendance for the Christmas Parade. The home tours were well attended and that \$1,300 was raised from the Taste of Hurricane at the Bible Church. This money will be given to the Community Cupboard and The Mission. Mrs. Gibson thanked Brenda for the interest and good job she does as director of planning and tourism. She also thanked the city employees for their support in helping with special events.

The Employees Christmas Lunch will be held December 21, 11:30 a.m. at Runner's Restaurant.

The City Offices will be closed December 24 & 25 for Christmas Holiday.

There will be a Live Nativity on Main Street at the Gazebo on December 19, 20 & 21.

Brenda Campbell, Director of Planning, sent a report about the Turkey Skate Jam held at the City Park Thanksgiving weekend. It was a very successful event, raising \$1,100 toward a new Skate Park.

Roy Vanater asked for an update on the CoPark Auction on Rt. 60. Mr. Norris reported that he has been corresponding with the owners and they have assured him that when the project is completed they will have fast growing trees planted to shield the facility from the road. He

advised that the business has all of the certifications required by DEP and they have had one auction

Councilman Sergent asked if there is something that could be done at the 4-Way stop at Reynolds Street and Virginia Avenue to alleviate the problem of sliding on the ice during the winter. Mr. Norris said the only thing to be done is to paint the curb 15 feet each way, but anything else would prohibit the driver from seeing oncoming traffic.

Councilman Gilfilen thanked Ed Norris for a good job paving the streets in Hurricane.

Councilman Billups asked about the progress of the water problem in Western Hills and was advised that most of the situation has been corrected and the rest will be completed when the last house is finished and the drainage is put in place. Mr. Billups asked that a letter be sent to Mrs. McFadden.

Motion was made by Reggie Billups and seconded by Frank Sergent that the meeting be adjourned. Motion carried.

Raymond Best
Submitted

1/7/02
Date

Linda L. Gibson
Approved

1/7/02
Date

Hurricane City Council
PUBLIC HEARING

December 17, 2001

Hurricane City Council met Monday, December 17, 2001, 6:30 p.m. with the following members present:

Recorder:	Linda Gibson, Acting Mayor
Council persons:	Reggie Billups
	Carl Gilfilen
	Kermit McDaniel
	Wanda Johnson
	Frank Sergent

Recorder, Linda Gibson called the Public Hearing to order and asked for comments concerning the Ordinance for Schedule of Rates and Charges; Use of Water Meters. Roy Vanatter voiced his opinion on raising the minimum sewer bill \$2.00 monthly was not appropriate for those on fixed incomes.

After discussion motion was made by Reggie Billups and seconded by Frank Sergent to refer the Ordinance to City Council for second reading. Motion carried.

Motion was made by Carl Gilfilen and seconded by Wanda Johnson to close the Public Hearing. Motion carried.

APPROVED Raymond Best DATE 1/7/02

SUBMITTED Linda Gibson DATE 1/7/02

Hurricane Sewer Rate Change
PUBLIC NOTICE OF CHANGE IN
RATES BY HURRICANE CITY
COUNCIL

10

COOKIE ALLEN
PUBLISHER

PHONE 304-562-9881

THE HURRICANE BREEZE

WEEKLY NEWSPAPER FOR ALL OF PUTNAM COUNTY

488 HURRICANE CREEK ROAD

P.O. BOX 310

HURRICANE, WEST VIRGINIA 25526

NOTICE is hereby given that the City of Hurricane Council has heard the first reading to amend ARTICLE 935.14, Sewer Rates, a tariff containing increased rates and charges for furnishing sewer service to Hurricane customers in Hurricane, Putnam County, West Virginia.

The proposed increase for the utility is 20% and includes the following Schedules:

935.14 SCHEDULE OF RATES AND CHARGES; USE OF WATER METERS.

For the payment of proper and reasonable expense of operation, repair, replacement, improvements, additions, betterments, extensions and the maintenance of the sewer system and for the payment of the sums required to pay the principal and interest of all sewer revenue bonds as they become due, Council shall enact and may from time to time amend a schedule of just and equitable rates and charges for the use of and service rendered by the municipal sewer system and works of the City, which schedule of rates or charges shall be based upon the metered amount of water supplied, the premises; and each schedule shall be maintained on file in the office of the City Recorder/Treasurer while in effect.

(a) Applicability of Rates: Applicable inside and outside the corporate limits of the City of Hurricane, where municipal sewer service is available.

(b) Availability of Service: Available for general domestic, commercial, and industrial sanitary sewer service.

(c) Schedule of Rates:

	Per 1,000 Gallons
(1) First 2,000 gallons	5.925
Each additional 1,000 gallons	5.65
Minimum bill 2,000 gallons	11.85

(2) Delayed payment penalty: The above schedule is net. On all accounts not paid in full within twenty days from the date of bill, ten percent (10%) shall be added to the net amount shown. This delayed payment penalty is not interest and is only to be collected once for each bill where it is appropriate.

(d) Multiple Occupancy: Where multiple service is rendered through one water meter, the monthly sewer bill shall not be less than the minimum charge provided for above, multiplied by the number of families, apartment units, residences, stores, offices, mobile homes or other units receiving water service through the meter. Motels and hotels would pay on the basis of water used.

(e) Service Connection: The fee for a tap connection shall be two hundred and fifty dollars (\$250.00). The fee for customer service shall be a twenty-five dollar (\$25.00) deposit. This deposit shall be refunded at the end of one year, plus interest as required by the Public Service Commission of the State of West Virginia, to property owners keeping their account currently paid, or to rental users after moving and payment of final bill is received.

A PUBLIC HEARING is scheduled on Monday, December 17th, 2001 at 6:30 p.m. in Council Chambers at City Hall, 2801 Virginia Avenue in Hurricane to hear the comments and questions concerning the rate increase.

CERTIFICATE OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF PUTNAM, To wit:

This day personally appeared before me, a Notary Public of said County of Putnam,.....Ron.Allen.....of The Hurricane Breeze, and after being duly sworn deposes and says that the attached legal publication was duly published in The Hurricane Breeze for.....One ... (1) consecutive issues, in its issues dated .. December 6, 2001..

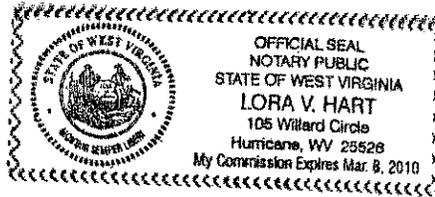
Ron Allen

The Hurricane Breeze

Subscribed and sworn to before me this...7th.....day of.....December, 2001...

Lora V Hart

Notary Public



HURRICANE RATE CHANGE
PUBLIC NOTICE OF CHANGE IN
RATES BY THE CITY OF HURRICANE

NOTICE is hereby given that the City of Hurricane has adopted by ordinance on Monday, December 17, 2001, a tariff containing increased rates and charges for furnishing sewer service to Hurricane customers in Hurricane, Putnam County, West Virginia.

The proposed increased rates and charges will become effective on the February 1, 2002 billing unless otherwise ordered by the Public Service Commission of West Virginia and will produce approximately \$6,856.87, monthly or \$82,282.44, annually in additional revenue, an increase of 16%. The average monthly bill for the various classes of customers will be changed as follows:

	(\$)	Increase	(%)	Increase
<u>Residential</u>				
2000 gallons	\$2.00		17%	
4500 gallons	\$6.75		16%	
<u>Commercial</u>				
2000 gallons	\$2.00		17%	
4500 gallons	\$3.75		16%	

The increase shown above is 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 changes (increases or decreases) by the Public Service Commission of West Virginia in its review of this filing. The Commission shall review and approve or modify the increased rates only upon the filing of a petition within thirty (30) days of the adoption of the ordinance changing said rates or charges, by:

(1) Any customer aggrieved by the changed rates or charges who presents to the Commission a petition signed by not less than twenty-five (25%) percent of the customers served by such municipally operated public utility; or

(2) Any customer who is served by a municipally operated public utility and who resides outside the corporate limits and who is affected by the change in said rates or charges and who presents to the commission a petition alleging discrimination between customers within and without the municipal boundaries. Said petition shall be accompanied by evidence of discrimination; or

(3) Any customer or group of customers who are affected by said change in rates who reside within municipal boundaries and who present a petition to the commission alleging discrimination between said customer or group of customers and other customers of the municipal utility. said petition shall be accompanied by evidence of discrimination.

All petitions should be addressed to the Executive Secretary, Public Service Commission of West Virginia, 201 Brooks Street, P. O. Box 812, Charleston, WV 25323

A complete copy of the proposed rates as well as a representative of the Company to provide any information requested concerning it, is available to all customers, prospective customers or their agents at the utility office located in City Hall at 2801 Virginia Avenue, Hurricane, West Virginia 25526.

A copy of the proposed rates is available for public inspection at the Office of the Secretary of the Public Service Commission at 201 Brooks Street, P. O. Box 812, Charleston, West Virginia 25323.

COOKIE ALLEN
PUBLISHER

PHONE 304-562-9881

THE HURRICANE BREEZE
A NEWSPAPER FOR ALL OF PUTNAM COUNTY
488 HURRICANE CREEK ROAD
P.O. BOX 310
HURRICANE, WEST VIRGINIA 25526

CERTIFICATE OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF PUTNAM, To wit:

This day personally appeared before me, a Notary Public of said County of Putnam,.....Ron.Allen.....of The Hurricane Breeze, and after being duly sworn deposes and says that the attached legal publication was duly published in The Hurricane Breeze for.....One ... (1) consecutive issues, in its issues dated .. December 20, 2001..

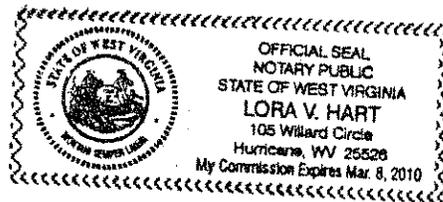
Ron Allen

.....
The Hurricane Breeze

Subscribed and sworn to before me this...21st.....day of.....December, 2001...

Lora V Hart

.....
Notary Public



**HURRICANE RATE CHANGE
PUBLIC NOTICE OF CHANGE IN
RATES BY THE CITY OF HURRICANE**

NOTICE is hereby given that the City of Hurricane has adopted by ordinance on Monday December 17, 2001, a tariff containing increased rates and charges for furnishing sewer service to Hurricane customers in Hurricane, Putnam County, West Virginia.

The proposed increased rates and charges will become effective on the February 1, 2002 billing unless otherwise ordered by the Public Service Commission of West Virginia and will produce approximately \$6,856.87, monthly or \$82,282.44, annually in additional revenue, an increase of 16%. The average monthly bill for the various classes of customers will be changed as follows:

	(\$) Increase	(%) Increase
Residential		
2000 gallons	\$2.00	17%
4500 gallons	\$3.75	16%
Commercial		
2000 gallons	\$2.00	17%
4500 gallons	\$3.75	16%

The increase shown above is 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 changes (increases or decreases) by the Public Service Commission of West Virginia in its review of this filing. The Commission shall review and approve or modify the increased rates only upon the filing of a petition within thirty (30) days of the adoption of the ordinance changing said rates or charges, by:

(1) Any customer aggrieved by the changed rates or charges who presents to the Commission a petition signed by not less than twenty five (25%) percent of the customers served by such municipally operated public utility, or

(2) Any customer who is served by a municipally operated public utility and who resides outside the corporate limits and who is affected by the change in said rates or charges and who presents to the commission a petition alleging discrimination between customers within and without the municipal boundaries. Said petition shall be accompanied by evidence of discrimination; or

(3) Any customer or group of customers who are affected by said change in rates who reside within municipal boundaries and who present a petition to the commission alleging discrimination between said customer or group of customers and other customers of the municipal utility, said petition shall be accompanied by evidence of discrimination.

All petitions should be addressed to the Executive Secretary, Public Service Commission of West Virginia, 201 Brooks Street, P. O. Box 812, Charleston, WV 25323.

A complete copy of the proposed rates as well as a representative of the Company to provide any information requested concerning it, is available to all customers, prospective customers or their agents at the utility office located in City Hall at 2801 Virginia Avenue, Hurricane, West Virginia 25526.

A copy of the proposed rates is available for public inspection at the Office of the Secretary of the Public Service Commission at 201 Brooks Street, P. O. Box 812, Charleston, West Virginia 25323.

**COOKIE ALLEN
PUBLISHER**

PHONE 304-562-9881

THE HURRICANE BREEZE

WEEKLY NEWSPAPER FOR ALL OF PUTNAM COUNTY

488 HURRICANE CREEK ROAD

P.O. BOX 310

HURRICANE, WEST VIRGINIA 25526

CERTIFICATE OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF PUTNAM, To wit:

This day personally appeared before me, a Notary Public of said County of Putnam,.....Ron.Allen.....of The Hurricane Breeze, and after being duly sworn deposes and says that the attached legal publication was duly published in The Hurricane Breeze for.....Two ... (2) consecutive issues, in its issues dated December 20, 2001 and January 3, 2002..

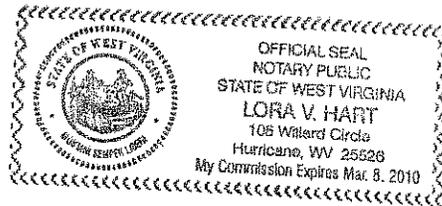
Ron Allen

The Hurricane Breeze

Subscribed and sworn to before me this...4th.....day of.....January, 2002...

Lora Hart

Notary Public





CITY OF HURRICANE

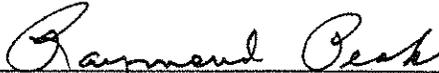
Sewer Revenue Refunding Bonds, Series 2003

PETITION OF SANITARY BOARD

The Sanitary Board of the City of Hurricane (the "City") hereby petitions the Council of the City to enact an ordinance directing that Sewer Revenue Refunding Bonds, Series 2003 of the City be issued pursuant to the provisions of Chapter 16, Article 13 of the West Virginia Code of 1931, as amended, such bonds to be in an amount not to exceed \$350,000, for the purposes of (i) refunding the Sewer Revenue Bonds, Series 1977; (ii) paying costs for certain additions, betterments and improvements to the existing public sewerage system of the City, together with all necessary appurtenances; and (iii) paying costs of issuance and related costs.

Directed this 2nd day of September, 2003.

CITY OF HURRICANE

By: 
Its: Chairman

08/25/03
435630.00001

**CITY OF HURRICANE SANITARY BOARD
SPECIAL MEETING
SEPTEMBER 2, 2003**

The Hurricane Sanitary Board members met in Special Session on Tuesday, September 2, 2003 at 6:30 p.m. with the following members present:

Chairperson: Raymond Peak
Sec./Treas.: Jack H. Gibson
Member Lewis Powers

Motion was made by Jack Gibson, seconded by Lewis Powers to adopt a PETITION of the SANITARY BOARD to the City of Hurricane requesting Sewer Revenue Refunding Bonds, Series 2003. Motion approved unanimously.

Motion was made by Lewis Powers, seconded by Jack Gibson to adopt a RESOLUTION REQUESTING CITY COUNCIL TO ADOPT REIMBURSEMENT RESOLUTION. Motion approved unanimously.

Motion was made by Jack Gibson, seconded by Lewis Powers to adopt Bylaws and Procedures for the City of Hurricane Sanitary Board. Motion approved unanimously.

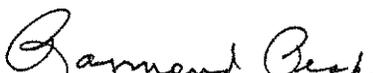
With no further business, motion was made by Jack Gibson, seconded by Lewis Powers to adjourn the Special Meeting. Motion approved unanimously.

Respectfully submitted,

Approved by:



Jack H. Gibson, Secy.



Raymond Peak, Chairman

HURRICANE CITY COUNCIL

September 2, 2003

The Hurricane City Council met in regular session with the following members present:

Mayor:	Raymond Peak
Recorder:	Linda Gibson
Council:	Reggie Billups
	David Boyles
	Wanda Johnson
	Wayne Lively
	Frank Sergent

The members were called to order for the business on the agenda. All present participated in the Pledge of Allegiance to the flag.

Motion was made by David Boyles, seconded by Frank Sergent to approve minutes of the August 4, 2003, regular meeting. Motion approved unanimously.

Motion was made by Frank Sergent and seconded by David Boyles to approve payment of the invoices from the General Fund. Motion approved unanimously.

Motion was made by Frank Sergent, seconded by Wanda Johnson to approve payment of the invoices for the Coal Severance Fund. Motion approved unanimously.

Motion was made by Reggie Billups, seconded by Wayne Lively to hear the second reading of AN ORDINANCE ESTABLISHING THE POSITION OF CITY MANAGER, THE APPOINTMENT AND DUTIES THEREOF FOR THE CITY OF HURRICANE, ARTICLE 104. Motion approved with 5 yeas and 1 nay.

Motion was made by Frank Sergent, seconded by David Boyles to adjourn to Executive Session to discuss personnel matters. Motion approved unanimously.

Upon return from the Executive Session, Councilman David Boyles explained that he voted No on the Ordinance because he did not feel that he had enough information to vote, Yes, because of his long absence for military duty the past four months.

Mayor Raymond Peak read a Petition from the Hurricane Sanitary Board requesting City Council to Refinance the 1977 Sewer Revenue Bond Issue.

Motion was made by Frank Sergent, seconded by Reggie Billups to hear the first reading of AN ORDINANCE AUTHORIZING THE REFUNDING OF THE SEWER REVENUE BONDS, SERIES 1977, OF THE CITY OF HURRICANE; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2003 A, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$350,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING THERETO; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS. Motion approved unanimously.

The Mayor called for scheduling a Special Meeting on Monday, September 22, 2003 at 6:30 p.m. for the second reading of said ordinance, adoption of a Resolution for Reimbursement for Sewer Treatment Plant Project expenses and a presentation by H. C. Nutting.

Motion was made by Wanda Johnson, seconded by Wayne Lively to coordinate the Trick or Treat date, October 30th or 31st, in Hurricane with Putnam County officials Motion approved unanimously.

Mayor Peak read correspondence from:

1. The Hurricane Little League expressing appreciation for the use of Hurricane City Park and the cooperation and assistance from the City and staff.
2. Walid Haikal requested permission to address City employees about supplemental insurance. Motion was made by David Boyles, seconded by Frank Sergent to allow Mr. Haikal an opportunity to approach employees. Motion approved unanimously.

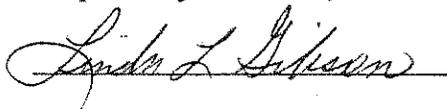
New Business:

1. Councilman Sergent requested information about the number of generators listed on the City's Inventory and Equipment List. Mr. Norris reported that he would check into the disposition of generators previously owned by the City.
2. Councilman Boyles also inquired about two Army surplus vehicles that were not on the equipment list. Chief Foster explained that Cabell County had requested to use parts from one of the vehicles and one 1984 Chev. Jeep was still listed for use the by Street Department.

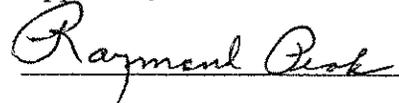
3. Councilman Boyles presented pictures that he had taken on problem areas in the City. He asked for an update on the curb line replacement on Belvue Drive. Commissioner Norris reported that the paving company would complete that project when they come back into Hurricane.
4. Councilman Boyles stated that Roger and Connie McDowell expressed their "thanks" for resolving some of the problems in their neighborhood.
5. Councilman Boyles inquired about additional street lighting for Morris Court near the business, Reflections of Judy. Commissioner Norris stated that there is currently one street light in that area.
6. Councilman Boyles inquired about two houses being constructed on Shank Avenue. The one furthest down does not appear to have the required six foot easement. Commissioner Norris stated it is an illusion because one house already there is not aligned properly on the property.
7. Councilman Boyles discussed the Trailer Court owned by David Hill on Second Street. Two of the trailers are actually campers which are not legal homes in Hurricane. Commissioner Norris said he had previously discussed the situation as well as a shed located adjacent to the cemetery with Mr. Hill.
8. Councilman Boyles stated that there are trees growing out of a storm sewer inlet on Crestview. The area is unsightly and needs to be addressed.
9. Councilman Boyles presented pictures of a house on Second Street that has boarded up windows and needs painting.
10. Councilman Boyles stated that in his opinion the drainage problem on Crestview begins in a swamp area behind apartments on Second Street.
11. Councilman Sergent stated that the street on Peak Circle in Front of the Niebur residence appears to be sinking. Commissioner Norris will check on the street.
12. Councilman Billups inquired about an area on Dudding Avenue where rainwater has been a problem for some residents. Commissioner Norris stated that the area had been addressed but the hard rains kept washing out the fill dirt. He stated that he would request the Paving Company to build up a curb line at that location.

A motion was made by Reggie Billups and seconded by David Boyles to adjourn the regular meeting. Motion approved unanimously.

Respectfully submitted,



Approved,



ESTABLISHED 1900

COOKIE ALLEN
PUBLISHER

PHONE 304-562-9881

LEGAL ADVERTISEMENT

Hurricane City Council
Special Meeting

Monday, September 22, 2003

The Hurricane City Council will meet in Special Session for the second reading of AN ORDINANCE AUTHORIZING THE REFUNDING OF THE SEWER REVENUE BONDS, SERIES 1977, OF THE CITY OF HURRICANE, THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2003A, OF THE CITY OF HURRICANE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$350,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH, PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS, AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING THERETO, AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS.

The Council will also hear reading of a RESOLUTION STATING THE REASONABLE EXPECTATION OF THE CITY COUNCIL OF THE CITY OF HURRICANE TO REIMBURSE THE CITY FOR CAPITAL EXPENDITURES IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF SEWERAGE SYSTEM FACILITIES AND IMPROVEMENTS (SEWER TREATMENT PLANT PROJECT) MADE PRIOR TO THE ISSUANCE OF TAX-EXEMPT REVENUE BONDS.

The agenda will also include a presentation from H. C. Nutting Company regarding regulating wireless service towers.

The Special Council meeting will be held in Council Chambers, 3255 Teays Valley Road, Hurricane on Monday, September 22, 2003 at 6:30 p.m.

THE HURRICANE BREEZE
DAILY NEWSPAPER FOR ALL OF PUTNAM COUNTY
488 HURRICANE CREEK ROAD
P.O. BOX 310
HURRICANE, WEST VIRGINIA 25526

CERTIFICATE OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF PUTNAM, To wit:

This day personally appeared before me, a Notary Public of said County of Putnam,.....Ron.Allen.....of The Hurricane Breeze, and after being duly sworn deposes and says that the attached legal publication was duly published in The Hurricane Breeze for...Two..(2) consecutive issues, in its issues dated September 11 & 18, 2003..

Ron Allen

.....
The Hurricane Breeze

Subscribed and sworn to before me this..19th.....day
of.....September, 2003...

Lora V Hart

.....
Notary Public



**Hurricane City Council
Special Meeting September 22, 2003
6:30 p.m.**

Hurricane City Council Members:

Mayor:	Raymond Peak
Recorder:	Linda L. Gibson
Council:	David Boyles
	Wayne Lively
	Frank Sergent

Motion was made by Frank Sergent, seconded by David Boyles hear the second reading of AN ORDINANCE AUTHORIZING THE REFUNDING OF THE SEWER REVENUE BONDS, SERIES 1977, OF THE CITY OF HURRICANE; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2003 A, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$350,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REDEMPTIONS OF, AND THE SECURITY FOR, THE REGISTER OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING THERETO; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS. Motion approved unanimously.

Motion was made by Frank Sergent, seconded by Wayne Lively to adopt a REIMBURSEMENT RESOLUTION STATEING THE REASONABLE EXPECTATION OF THE CITY COUNCIL OF THE CITY OF HURRICANE TO REIMBURSE THE CITY FOR CAPITAL EXPENDITURES IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF SEWERAGE SYSTEM FACILITIES AND IMPROVEMENTS (SEWER TREATMENT PLANT PROJECT) MADE PRIOR TO THE ISSUANCE OF TAX-EXEMPT REVENUE BONDS. Motion approved unanimously.

Mayor Peak introduced Tommy Isaacs, Business Development Manager with H. C. Nutting Company. Mr. Isaacs made a presentation on behalf of the Center for Municipal Solutions offering comprehensive tools for control over wireless telecommunications. Council members held an open discussion and will take action to adopt an Ordinance allowing for management of future wireless telecommunications in Hurricane.

Page Two
Special Meeting/September 22, 2003

With no further business, a motion was made by Frank Sergent, seconded by David Boyles to adjourn the Special Meeting. Motion approved unanimously.

Respectfully submitted,

Approved,

Linda L. Gibson

Raymond Peal

City of Hurricane
Public Hearing
October 6, 2003
7:15 p.m.

Council Members present:

Mayor: Raymond Peak
Recorder: Linda L. Gibson
Council: Reggie Billups
David Boyles
Wanda Johnson
Wayne Lively

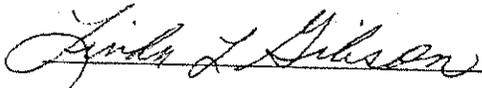
The Public Hearing was called to order by Mayor Raymond Peak.

The Mayor called for protests, questions and suggestions from the public regarding the AN ORDANANCE AUTHORIZING THE REFUNDING OF THE SEWER REVENUE BONDS, SERIES 1977, OF THE CITY OF HURRICANE; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2003 A, OF THE CITY IN THE AGGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$350,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTER OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING THERETO; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

There being none from the audience, the Mayor called for a motion to adjourn. Moved by Reggie Billups, seconded by Wayne Lively and approved unanimously.

Respectfully submitted,

Approved,





Hurricane City Council
Regular Meeting October 6, 2003
7:30 p.m.

Hurricane City Council Members:

Mayor:	Raymond Peak
Recorder:	Linda L. Gibson
Council:	Reggie Billups
	David Boyles
	Wanda Johnson
	Wayne Lively

Pledge of Allegiance.

Motion was made by Wanda Johnson, seconded by David Boyles to approve the minutes of September 2, 2003. Motion approved unanimously.

Motion was made by Reggie Billups, seconded by Wayne Lively to approve the minutes of the special meeting on September 22, 2003. Motion approved unanimously

Old business:

Motion was made by David Boyles, seconded by Reggie Billups to hear the third reading and adoption of AN ORDINANCE AUTHORIZING THE REFUNDING OF THE SEWER REVENUE BONDS, SERIES 1977, OF THE CITY OF HURRICANE; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2003 A, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$350,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTER OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING THERETO; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS. Motion approved unanimously.

Motion was made by Reggie Billups, seconded by David Boyles to adopt the proposed Supplemental Resolution setting forth certain additional information regarding the Bonds. Motion approved unanimously.

Page Two
October 6, 2003

Motion was made by Reggie Billups, seconded by Wayne Lively to consider and act upon a Resolution on Open Governmental Proceedings. Motion approved unanimously.

Motion was made by Reggie Billups, seconded by David Boyles to accept high bids for advertised vehicles as follows:

1986 Ford Van VIN 1FBHS31Y8GHA69022	\$ 950
1996 Ford Taurus VIN 1FALP52U8TA258681	\$ 701
1995 Ford Taurus VIN 1FALP52UXSG225077	\$ 528.37

Motion approved unanimously. Council rejected the bid for the 1996 Jeep Cherokee VIN 1J4FJ68S7TL276351 \$1,800.

Motion was made by Reggie Billups, seconded by Wayne Lively to appoint Karen S. Lilly to the position of City Manager for the City of Hurricane. Motion approved unanimously.

New business:

Motion was made by David Boyles, seconded by Wanda Johnson to enter into the annual agreement with the Putnam County Board of Education for the PRO Program in Hurricane High and Middle Schools. Motion approved unanimously.

Motion was made by Wayne Lively, seconded by Reggie Billups to hold the first reading of ARTICLE 1370, AN ORDINANCE REGULATING THE SITING OF WIRELESS TELECOMMUNICATIONS FACILITIES, entering into an agreement with H. C. Nutting for consultation and management of said ordinance. Motion approved unanimously.

Motion was made by Reggie Billups, seconded by Wanda Johnson to approved a Budget Revision for the General Fund as submitted. Motion approved unanimously.

Motion was made by Reggie Billups, seconded by David Boyles to adopt a RESOLUTION acknowledging the receipt of property at 316 Rhoda Street from the United States Department of Housing & Urban Development for the sum of \$1.00. Motion approved unanimously.

Motion was made by Reggie Billups, seconded by David Boyles to authorize the Hurricane Development Authority to proceed with plans for improvements or demolition of the house at 316 Rhoda Street. Any proceeds from the sale of the improved property will be designated to improvements on additional housing units on Main Street. Motion approved unanimously.

Motion was made by Reggie Billups, seconded by Wanda Johnson to continue a lease agreement, July 1, 2003 to June 30, 2004, with the Hurricane Building Commission for office space in the Municipal Building at 3255 Teays Valley Road. Motion approved unanimously.

1. Sally McDonald, resident at 388 Hurricane Creek Road, expressed her complaint that the City had not paved a street from Hurricane Creek Road to her house. The Mayor stated that the City received a petition from the residents that live along the private road adjacent to the homeowners in that area. The City will need a deed prepared giving the City the footage required to develop a street that complies with City Code. The Putnam County Development Authority has purchased property abutting the private roadway and has determined to give the City a 30' strip for the requested access road. A court appeal in Kanawha County has kept the Authority on hold with development of their project. City Code requires 40' for a street. The property owners present were given the option to give copies of their deeds to the City to be reviewed by the City's Attorney.

2. Ron Thompson, 3229 Virginia Avenue requested another review of his right to continue a car repair business at his residence. The Mayor stated he would need to take his request and concerns to the Hurricane Planning Commission.

3. Glada Burcham & Sam Cole- 3314 & 3316 Virginia Avenue presented information concerning business being operated from a barn located adjacent to their residential property. The specific complaint indicated that there was loud machinery operating at 5:30 a.m., welding in the yard with children present and burning salvage behind the structure. Councilman Lively asked if the police had been notified and addressed the problems at the time of occurrence. Positive reply was made.

Ms. Burcham expressed concern about the depreciation of her home with the activities and language of the present owners.

The Mayor stated that the barn had been used for storage since before the area was developed with residential housing and was grand-fathered for this specific use.

John Ginn, previous owner and Ronnie Sowards, current owner stated that they both used the barn to store equipment, materials and supplies. Mr. Sowards said that his son had welded one time at that location and was instructed not to do so again.

The Mayor appointed Councilmen David Boyles and Wayne Lively to investigate the situation and report at the next Council meeting.

4. Mr. Roger McDowell, 336 Belvue Drive thanked City council for the improvements made in the community since June. On August 4th, he had presented information about water problems on Belvue. Councilman Boyles stated that he had walked the area with Mr. McDowell and concurred that the problem exists. The Mayor reported that the City had received a letter from the Governor's Office concerning the \$500,000 grant application for a Small Cities Block Grant to address drainage issues in several areas

Page Four
October 6, 2003

including Shepherd Hollow. The completion of this proposed project should alleviate the excess water on Belvue. Mrs. McDowell asked about installing a berm on Second Street. Commissioner Ed Norris replied that a berm would not be helpful to the problem.

5. The Mayor presented a claim for Patricia Shirkey for damage to her car while parking on the parking lot on Main Street across from the bank. A metal pin had become dislodged from the parking ledge and Mrs. Shirkey's bumper was damaged. The City has a 99 year lease with CSX for the parking lot. Motion was made by Reggie Billups, seconded by David Boyles to pay the repair bill \$313.12. Motion approved unanimously.

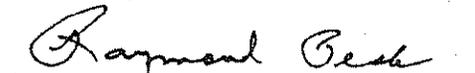
Halloween in Hurricane and Putnam County will be Thursday, October 30, 2003, 6:00 p.m. to 7:30 p.m.

With no further business, motion was made by Reggie Billups, seconded by David Boyles to adjourn. Motion approved unanimously

Respectfully submitted,

Approved,


Linda L. Gibson, Recorder


Raymond Peak, Mayor

CITY OF HURRICANE
SEWER REFUNDING REVENUE BONDS, SERIES 2003 A

EXCERPT OF MINUTES ON ADOPTION OF
SECOND SUPPLEMENTAL RESOLUTION

The undersigned duly appointed Recorder of the City Council of the City of Hurricane hereby certifies that the following is a true and correct excerpt of the minutes of a special meeting of said City Council:

The City Council of the City of Hurricane met in special session, pursuant to notice duly posted, on the 22nd day of October, 2003, in Hurricane, West Virginia, at the hour of 6:00 p.m.

PRESENT: Raymond Peak, Mayor
Linda Gibson, Recorder
Frank Sergent
Reggie Billups
Wayne Lively
Wanda Johnson

ABSENT: David Boyles

Raymond Peak, Mayor, presided, and Linda Gibson acted as Recorder. The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the Mayor presented a proposed Second Supplemental Resolution in writing entitled:

SECOND SUPPLEMENTAL RESOLUTION MODIFYING THE BOND ORDINANCE AND THE SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF THE CITY OF HURRICANE SEWER REFUNDING REVENUE BONDS, SERIES 2003 A; APPROVING A CONFORMED ORDINANCE; 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 Frank Sergent and seconded by Reggie Billups, it was unanimously ordered that said Second Supplemental Resolution be adopted and be in full force and effect on and from the date hereof.

There being no further business to come before the meeting, on motion duly made by Frank Sergent and seconded by Reggie Billups, it was unanimously ordered that the meeting adjourn.

CERTIFICATION

I hereby certify that the foregoing action of the City of Hurricane remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 28th day of October, 2003.


Recorder

10/22/03
435630.00001

THE HURRICANE BREEZE
THE WEEKLY NEWSPAPER FOR ALL OF PUTNAM COUNTY
488 HURRICANE CREEK ROAD
P.O. BOX 310
HURRICANE, WEST VIRGINIA 25526

LEGAL ADVERTISEMENT

CITY OF HURRICANE
NOTICE OF PUBLIC HEARING ON
ORDINANCE

A public hearing will be held on the following-entitled Ordinance at a special meeting of the Council of the City of Hurricane (the "City") to be held on Monday, October 6, 2003, at 7:15 p.m. in Council Chambers at the City Hall, 3255 Teays Valley Road, Hurricane, West Virginia, and at such hearing any person interested may appear before the Council and present protests, and all protests and suggestions shall be heard by the Council and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

ORDINANCE AUTHORIZING THE REFUNDING OF THE SEWER REVENUE BONDS, SERIES 1977, OF THE CITY OF HURRICANE; THE ISSUANCE OF SEWER REFUNDING REVENUE BONDS, SERIES 2003 A, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$350,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING AND TO PAY COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING THERETO, AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

The above-entitled Ordinance was approved by the Council on September 22, 2003.

The above-quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The City contemplates the issuance of the Bonds described in the Ordinance. The proceeds of the Bonds will be used to refund the Sewer Revenue Bonds, Series 1977 and to pay certain costs of the issuance of the Bonds and related costs. The Bonds are payable solely from revenues to be derived from the ownership and operation of the sewerage system of the City. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

A certified copy of the above-entitled Ordinance is on file with the Council at the office of the Recorder for review by interested parties during regular office hours.

CERTIFICATE OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF PUTNAM, To wit:

This day personally appeared before me, a Notary Public of said County of Putnam,.....Ron.Allen.....of The Hurricane Breeze, and after being duly sworn deposes and says that the attached legal publication was duly published in The Hurricane Breeze for...Two..(2) consecutive issues, in its issues dated September 25 & October 2, 2003..

Ron Allen

.....
The Hurricane Breeze

Subscribed and sworn to before me this..10th.....day
of.....October, 2003...

Lora V. Hart

.....
Notary Public



SANITARY BOARD OF THE CITY OF HURRICANE

RESOLUTION REQUESTING CITY COUNCIL TO ADOPT
REIMBURSEMENT RESOLUTION

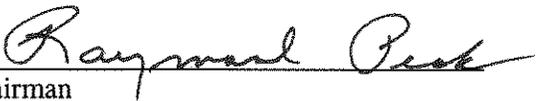
WHEREAS, the Sanitary Board of the City of Hurricane (the "Board") has been advised by Counsel that certain steps should be taken by City Council to protect the ability of the City to reimburse itself for certain capital expenditures on the sanitary sewer treatment and collection system (the "System");

WHEREAS, the Sanitary Board desires that the City Council take any and all necessary actions to obtain the protection referenced above; and

WHEREAS, the Sanitary Board desires to adopt this resolution requesting that the City Council adopt the Reimbursement Resolution attached hereto;

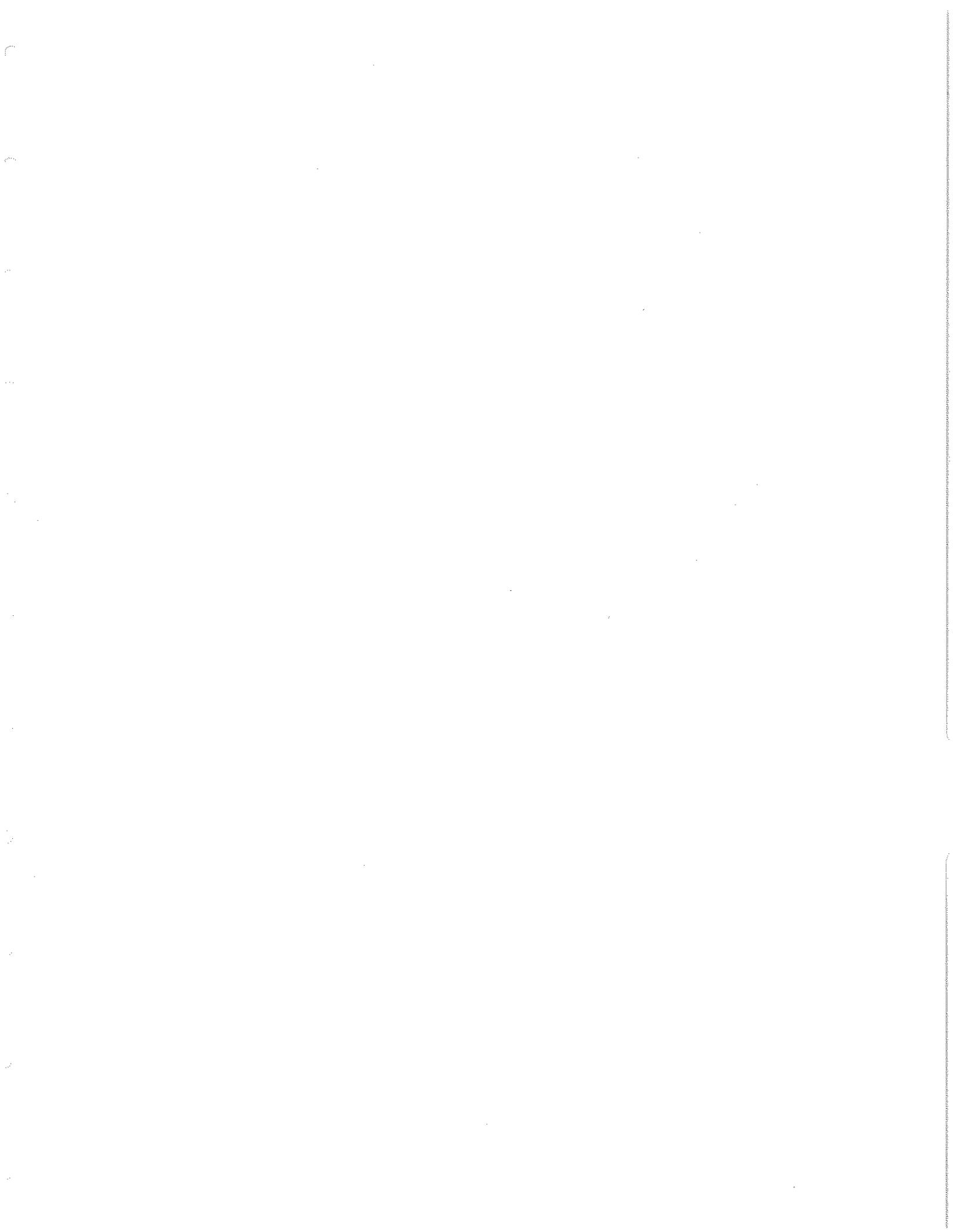
NOW, THEREFORE, BE IT RESOLVED BY THE SANITARY BOARD OF THE CITY OF HURRICANE AS FOLLOWS:

1. The Board hereby requests that the City Council of the City of Hurricane place the attached Reimbursement Resolution on the Council's agenda for the next regular meeting for consideration for adoption.


Chairman

08/25/03
970720/00002

CH592897.1



Reimbursement Resolution - Sewer Treatment Plant Project

RESOLUTION STATING THE REASONABLE EXPECTATION OF THE
CITY COUNCIL OF THE CITY OF HURRICANE TO REIMBURSE THE CITY FOR
CAPITAL EXPENDITURES IN CONNECTION WITH
THE ACQUISITION AND CONSTRUCTION OF SEWERAGE SYSTEM FACILITIES
AND IMPROVEMENTS (SEWER TREATMENT PLANT PROJECT) MADE PRIOR
TO THE ISSUANCE OF TAX-EXEMPT REVENUE BONDS

WHEREAS, the Sanitary Board of the City of Hurricane (the "Board"), a board established by ordinance of the City of Hurricane (the "City") has recommended to the City Council that the City, by and through the Board, acquire and construct certain improvements to the City's existing public sewerage system, consisting of improvements, additions and renovations to the City's waste water treatment plant, and all necessary appurtenances, such acquisition and construction herein called the "Project" and the cost thereof estimated not to exceed \$1,000,000;

WHEREAS, the City has been advised that the Board expects that it will make certain capital expenditures related to the Project prior to the issuance of the Bonds;

WHEREAS, such costs will be paid from the City's Sewer Fund and not from General Funds of the City; and

WHEREAS, the City Council reasonably expects that the City will reimburse such Sewer Fund for a portion of the cost of the Project in an amount not to exceed \$1,000,000, from the proceeds of sale of tax-exempt sewer revenue bonds (the "Bonds") anticipated to be hereinafter issued by the City in one or more series;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HURRICANE, AS FOLLOWS:

Section 1. The City Council of the City of Hurricane reasonably expects that the City will reimburse itself for certain capital expenditures made not more than 60 days prior to the date of adoption of this resolution (and after the date of such adoption, but prior to the issuance of the Bonds) in connection with the Project, such capital expenditures to be undertaken or incurred prior to the execution and delivery of the Bonds, from the proceeds of such Bonds, which are reasonably expected to be executed and delivered within 18 months

from the later of (i) the expenditure for payment of said costs or (ii) the placing of the Project in service.

Section 2. This Resolution is intended to constitute a "declaration of official intent" pursuant to Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended (the "Reimbursement Regulations").

Section 3. The source of payment for such capital expenditures will be the Sewer Fund, and upon issuance of the Bonds, proceeds thereof not to exceed the amount of such capital expenditures will be applied to reimbursement of such Sewer Fund, such allocation to be made within 30 days following the date of issuance of the Bonds and to not exceed \$1,000,000.

Section 4. The maximum principal amount of Bonds to be issued for the Project is \$1,000,000.

Section 5. The City shall provide written evidence of all reimbursement allocations within 30 days following issuance of the Bonds.

Section 6. This Resolution shall become effective on the date of its adoption.

Adopted this 22nd day of September, 2003.

CITY OF HURRICANE

By: Raymond Beck
Its: Mayor

CERTIFICATION

I, Linda L. Gibson, duly appointed Recorder of the City of Hurricane, do hereby certify that the foregoing is a true and accurate copy of a Reimbursement Resolution adopted by the City Council of the City of Hurricane at a special meeting of City Council held September 22, 2003, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated this 15th day of October, 2003.

[SEAL]

By: *Linda L. Gibson*
Recorder

10/09/03
435630.00001



Clarksburg Charleston Morgantown Martinsburg Wheeling Parkersburg

Bank One Center, Seventh Floor

P.O. Box 1588

Charleston, WV 25326-1588

(304) 353-8000 (304) 353-8180 Fax

www.steptoelaw.com

Writer's Contact Information

October 28, 2003

City of Hurricane
Sewer Refunding Revenue Bonds, Series 2003 A

City of Hurricane
Hurricane, West Virginia

Branch Banking and Trust Company
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Hurricane (the "Issuer") of its Sewer Refunding Revenue Bonds, Series 2003 A (the "Bonds"), dated the date hereof.

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 13 of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Ordinance duly enacted by the Issuer on October 6, 2003, as supplemented by a Supplemental Resolution duly adopted by the Issuer on October 6, 2003 and as supplemented by a Second Supplemental Resolution duly adopted by the Issuer on October 22, 2003 (collectively, the "Ordinance"), and are subject to all the terms and conditions of the Ordinance. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Ordinance when used herein.

The Bonds are originally issued in the form of one bond, numbered AR-1, in fully registered form and bearing interest on the principal amount thereof from the date of issuance at the rate of 4.10% per annum. Principal of, and interest on the Bonds is payable monthly, as set forth on the debt service schedule attached to the Bond.

The Bonds are subject to prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.

The Bonds are being issued for the purposes of paying a portion of the costs necessary to advance refund all of the Issuer's outstanding Sewer Revenue Bonds, Series 1977, dated April 1, 1977, issued in the original aggregate principal amount of \$465,000, of which approximately \$290,000 is presently outstanding (the "Series 1977 Bonds").



The Bonds have been sold to Branch Banking and Trust Company, Charleston, West Virginia (the "Purchaser") pursuant to the terms and conditions of the commitment letter of the Purchaser.

The Series 1977 Bonds will be defeased pursuant to an Escrow Agreement dated the date hereof, by and between the West Virginia Municipal Bond Commission (the "Commission") and the Issuer (the "Escrow Agreement").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Ordinance and in the certified proceedings and other certifications of certain public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, and assuming compliance with the covenants of the Issuer pertaining to tax matters set forth in the Ordinance and in certain certificates delivered in connection with the issuance of the Bonds, we are of the opinion, under existing law, that:

1. The Issuer is a duly created and validly existing municipal corporation under and pursuant to the laws of the State of West Virginia, with full power and authority to enact the Ordinance and enter into the Escrow Agreement and perform its obligations under the terms and provisions thereof and to issue and sell the Bonds, all under the provisions of the Act and other applicable provisions of law.

2. The Ordinance has been duly enacted by the Issuer, is in full force and effect as of the date hereof and constitutes a valid and binding obligation of the Issuer enforceable in accordance with its terms and has authorized, executed and delivered the Escrow Agreement.

3. Under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Bonds (a) is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder (the "Code") and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations under the Code. It should be noted, however, that interest on the Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Bonds set forth in the Ordinance, and in certain certificates delivered in connection with the issuance of the Bonds. Failure to comply with certain of such Code provisions or such certifications, covenants and representations could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds except as expressly set forth in paragraph 4.

4. The Issuer has designated the Bonds as "qualified tax-exempt obligations" for purposes of the Code, and has covenanted that it does not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations (other than private activity bonds and obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligations) during the calendar year 2003. Therefore, the Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Code.

5. Under the Act, the Bonds are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof and the interest on the Bonds is exempt from personal and corporate income taxes imposed directly thereon by the State of West Virginia.

6. The Series 1977 Bonds have been defeased within the meaning and with the effect expressed in the 1977 Ordinance and the Escrow Agreement, and the covenants, agreements and other obligations of the Issuer to the holders and owners of the Series 1977 Bonds have been satisfied and discharged. In rendering the opinion set forth in this paragraph, we have relied upon the certificate of the West Virginia Municipal Bond Commission relating to the sufficiency of the moneys on deposit in the Series 1977 Bonds Sinking Fund to provide for the payment on April 1, 2004 of the principal of, interest and redemption premium on the Series 1977 Bonds.

7. Assuming due authorization, execution and delivery by the other parties thereto, the Escrow Agreement constitutes a valid, legal, binding and enforceable instrument of the Issuer in accordance with its respective terms; and the Bonds have been duly authorized, issued, executed and delivered by the Issuer and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Ordinance and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with the lien on the Net Revenues in favor of the Holders of the First Lien Bonds, and senior and prior, with respect to liens, pledge, source of and security for payment, to the Subordinate Bonds, all in accordance with the terms of the Bonds and the Ordinance.

8. The Issuer is a governmental unit and has general taxing powers; no Notes are private activity bonds; 95% or more of the net proceeds of the Notes are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the aggregate face amount of all tax-exempt bonds or obligations (other than private activity bonds) issued by the Issuer during the calendar year 2003, the calendar year in which the Notes are issued, is not reasonably expected to exceed \$5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code. For purposes of this paragraph and for purposes of applying such Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this paragraph and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this paragraph and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefitting thereby shall

be treated as one issuer. No portion of the Bonds is issued to refund other obligations. Therefore, the Issuer qualifies for the small governmental issuer exception to rebate.

It is to be understood that the rights of the holders of the Bonds and the enforceability of liens, pledges, rights or remedies with respect to the Bonds and the Ordinance may be subject to and limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally, and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We have examined the executed and authenticated Bond No. AR-1 of said issue, and in our opinion, said Bond is in proper form and has been duly executed and authenticated.

Very truly yours,


STEPTOE & JOHNSON PLLC

10/20/03
435630.00001

TYREE, EMBREE & ASSOCIATES, PLLC
Attorneys at Law

D. Scott Tyree
Eric S. Embree*
J. Robert Leslie

3058 Mt. Vernon Road
Hurricane, West Virginia 25526

Telephone No. (304)-757-0021 Fax No. (304)-757-0795
eric@tyreeembree.com

*Also licensed in Ohio

October 28, 2003

City of Hurricane
Sewer Refunding Revenue Bonds, Series 2003 A

City of Hurricane
Hurricane, West Virginia

Branch Banking and Trust Company
Charleston, West Virginia

Step toe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

I have acted as counsel for the City of Hurricane, West Virginia (the "City") and have acted as such in connection with the issuance by the City of its Sewer Refunding Revenue Bonds, Series 2003 A (the "Bonds"), dated the date hereof.

In this connection, I have reviewed and examined certain proceedings and documents with respect to the Bonds, any such records, certificates and other documents as I have considered necessary or appropriate for the purposes of this opinion, including Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended (the "Act"), the Ordinance of the City relating to the Bonds enacted on October 6, 2003, as supplemented by a Supplemental Resolution adopted by the Council of the City on October 6, 2003, and as supplemented by a Second Supplemental Resolution adopted by the Council of the City on October 22, 2003 (collectively, the "Ordinance"), the Escrow Agreement by and between the City and the West Virginia Municipal Bond Commission dated October 28, 2003 (the "Escrow Agreement") and certifications of the City. Based on such review and such other considerations of law and fact as I believe to be relevant, I am of the opinion that:

1. The City is a municipal corporation duly organized and existing under the laws and Constitution of the State of West Virginia. The City is authorized by the laws of the State of West Virginia, as provided by the Act, to enter into and perform its obligations under the Ordinance and the Escrow Agreement.

2. The City has full power and authority to consummate all transactions contemplated by the Bonds, the Escrow Agreement and any other agreements relating thereto, to which the City is a party.

3. The City has duly authorized all action necessary to be taken by it or on its behalf for (i) the execution and delivery of the Escrow Agreement; (ii) the ratification of the actions of the City and the issuance and delivery of the Bonds upon the terms set forth in the Ordinance; and (iii) the carrying out, giving effect to and consummation of the transactions contemplated thereby.

4. The Escrow Agreement has been duly and validly authorized, executed and delivered by the City and is in full force and effect as of the date hereof and is a valid and legally binding obligation of the City, enforceable against the City in accordance with its terms, except to the extent the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally.

5. The Ordinance has been duly adopted and enacted at meetings of the governing body of the City which were called and held pursuant to law and in accordance with all applicable open meeting laws and at which a quorum was present and acting at the time of the enactment of the Ordinance, and remains in full force and effect as of the date hereof.

6. The execution and delivery by the City of the Escrow Agreement and the performance of its obligations thereunder do not and will not result in a violation of any provision of, or in default under, the West Virginia statutes organizing and governing the City or, to the best of my knowledge after diligent inquiry and review of the City's records, any agreement or other instrument to which the City is a party or by which it or its properties are bound.

7. All actions necessary to be taken by the City have been taken, and no additional approval, authorization, consent or other order of the City or any public board or body is legally required to allow the City to refund the Series 1977 Bonds.

8. The City is not in violation of any provision of, or in default under, West Virginia statutes organizing and governing the City.

9. There are no legal or governmental actions, proceedings, inquiries or investigations pending or threatened by governmental authorities or to which the City is a party or of which any property of the City is subject, which, if determined adversely to the City, would individually or in the aggregate materially and adversely affect the validity or the enforceability of the Bonds.

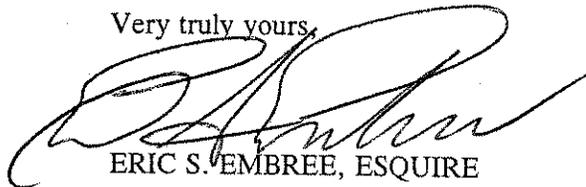
10. All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, legislative body, board, agency or commission having jurisdiction which would constitute conditions precedent to, or the absence of which would materially

adversely affect, the due performance by the City of its obligations under the Ordinance or the Bonds, have been duly obtained and are in full force and effect, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds, as to which no opinion is hereby expressed.

11. The Ordinance creates a legally valid and binding pledge of, and lien and charge upon, the security, for payment of the principal of, premium, if any, and interest on the Bonds as the same become due and for the other purposes provided in the Ordinance, subject only to the provisions of the Ordinance permitting application thereof on the terms and conditions set forth in the Ordinance.

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

Very truly yours,

A handwritten signature in black ink, appearing to read "Eric S. Embree", written in a cursive style. The signature is positioned above the printed name "ERIC S. EMBREE, ESQUIRE".

ERIC S. EMBREE, ESQUIRE



CITY OF HURRICANE
Sewer Refunding Revenue Bonds, Series 2003 A

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF DOCUMENTS
6. SIGNATURES, DELIVERY AND PAYMENT
7. PUBLIC SERVICE COMMISSION ORDER
8. RATES
9. PUBLICATION OF NOTICES
10. INCUMBENCY AND OFFICIAL NAME
11. DEFEASANCE OF SERIES 1977 BONDS; EXCESS SERIES 1977 BONDS MONEYS
12. MEETINGS
13. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE
14. SPECIMEN BOND
15. CONFLICTS OF INTEREST
16. IRS INFORMATION RETURN
17. RELIANCE
18. USE OF BOND PROCEEDS
19. COUNTERPARTS

On this the 28th day of October, 2003, we, the undersigned MAYOR and RECORDER of the City of Hurricane, West Virginia (the "Issuer") and the undersigned ATTORNEY for the Issuer, hereby certify in connection with the City of Hurricane Sewer Refunding Revenue Bonds, Series 2003 A, numbered AR-1, dated the date hereof, in the principal amount of \$290,000 (the "Bonds" or the "Series 2003 A Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined shall have the same meaning set forth in the Bond Ordinance duly enacted by the Issuer on October 6, 2003, as supplemented by the Supplemental Resolution duly adopted by the Issuer on October 6, 2003, and as supplemented by the Second Supplemental Resolution duly adopted by the Issuer on October, 22, 2003 (collectively, the "Ordinance").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or affecting in any manner the issuance, sale and delivery of the Bonds, the prepayment and refunding of the Series 1977 Bonds, the collection or use of the revenues of the System, or the pledge and security of the Net Revenues for the Bonds; nor affecting the validity of the Bonds or any provisions made or authorized for the payment thereof; nor questioning the existence of the Issuer or the title of the members or officers of the Issuer or the Council thereof to their respective offices; nor questioning any proceedings of the Issuer taken with respect to the issuance, sale or delivery of the Bonds, the prepayment and refunding of the Series 1977 Bonds, the collection or use of the revenues of the System, or the pledge and security of the Net Revenues for the Bonds.

3. GOVERNMENTAL APPROVALS: All applicable approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the operation of the System and the issuance of the Bonds have been duly and timely obtained and 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 or the System of the Issuer since August 26, 2003.

The Series 2003 A Bonds shall be issued on a parity with the Sewer Revenue Bonds, Series 1989 A, dated December 28, 1989, issued in the original principal amount of \$2,331,211 (the "First Lien Bonds") and senior and prior to the Sewer Revenue Bonds, Series 1989 B, dated December 28, 1989, issued in the original principal amount of \$108,789 (the "Subordinate Bonds" and together with the First Lien Bonds, 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 parity and coverage requirements of the First Lien Bonds and the ordinance authorizing the First Lien Bonds. The Issuer has obtained (i) a certificate of an Independent Certified Public Accountant stating that the parity and coverage tests of the First Lien Bonds have been met; (ii) the written consent of the Holders of the First Lien Bonds to the issuance of the Series 2003 A Bonds on a parity with the Series 1989 A Bonds; and (iii) the written consent of the Holders of the Subordinate Bonds to the issuance of the Series 2003 A Bonds on a senior and prior basis to the Subordinate Bonds. Upon defeasance of the Series 1977 Bonds, except for the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

5. CERTIFICATION OF COPIES OF DOCUMENTS: There are delivered herewith true, correct and complete copies of the following documents, all of which remain in full force and effect and have not been amended, modified, supplemented, rescinded or repealed unless changed by the terms of other documents listed below:

Bond Ordinance
Conformed Bond Ordinance
Supplemental Resolution
Second Supplemental Resolution
City Charter, with Amendments
Oaths of Office of City Council Members
Ordinance Creating Sanitary Board
Order Appointing Board Members
Oaths of Office of Current Boardmembers
Rules of Procedure
Sewer Rate Ordinance
Affidavit of Publication of Sewer Rate Ordinance and Notice of Public Hearing
Minutes on Adoption and Enactment of Sewer Rate Ordinance
Petition of Sanitary Board
Resolution of Sanitary Board regarding Adoption of Reimbursement Resolution
Reimbursement Resolution
Minutes on Adoption of Bond Ordinance, Supplemental Resolution and Second Supplemental Resolution
Affidavit of Publication of Abstract of Bond Ordinance and Notice of Public Hearing
Certificate of Arbitrage
Escrow Agreement

Series 1977 Bonds Ordinance and Supplemental Resolution

Commitment Letter

Closing Memorandum

6. SIGNATURES, DELIVERY AND PAYMENT: The undersigned Mayor and Recorder are the duly elected or appointed, qualified and acting officers of the Issuer as indicated by the official titles opposite their signatures below, and are duly authorized to execute and seal the Bonds for the Issuer. The seal impressed upon the Bonds and this Certificate is the duly authorized, proper and only seal of the Issuer. On the date hereof, the undersigned Mayor did officially sign all of the Bonds, consisting upon original issuance of a single Bond, dated the date hereof, by his or her manual signature; the undersigned Recorder did officially cause the seal of the Issuer to be affixed upon the Bonds and to be attested by his or her manual signature; and the Registrar did officially authenticate and deliver the Bonds to a representative of the Original Purchaser of the Bonds. At the time of delivery of the Bonds, \$290,000, the agreed purchase price of the Bonds, was paid to the Issuer (or others, on behalf of the Issuer) by the Original Purchaser.

7. PUBLIC SERVICE COMMISSION ORDER: A PSC Order is not required for the issuance of the Bonds for the purposes of refunding the Series 1977 Bonds.

8. RATES: The Issuer has duly enacted a sewer rate ordinance setting rates and charges for the services of the System, which rates and charges are currently in effect. Such rate ordinance is presently in full force and effect, and the period for appeal of such rate ordinance has expired. Such rates meet the coverage requirements set forth in Section 6.04 of the Bond Ordinance.

9. PUBLICATION OF NOTICES: Notice of the public hearing upon the Ordinance was duly published as required by law. There was no protest to the enactment of the Ordinance, and the Ordinance became fully effective October 6, 2003, and remains in full force and effect.

10. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "City of Hurricane," and it is a municipal corporation organized and existing under the laws of, and a political subdivision of, the State of West Virginia in Putnam County of said State. The governing body of the Issuer is its Council, consisting of 7 members. The names and terms of the office of the members of Council, the Mayor and the Recorder are as follows:

<u>Name</u>	<u>Date Of Termination Of Office</u>
Raymond Peak, Mayor	June 30, 2007
Linda Gibson, Recorder	June 30, 2007
Frank Sergent	June 30, 2007
Reggie Billups	June 30, 2007
Wayne Lively	June 30, 2007
David Boyles	June 30, 2007
Wanda Johnson	June 30, 2007

The duly elected or appointed officers of the Sanitary Board for 2003 are as follows:

Raymond Peak	- Chairman
Jack Gibson	- Secretary/Treasurer
Roger Randolph, P.E.	- Member
Lewis Powers	- Member

The duly appointed and acting attorney for the Issuer is Eric S. Embree, Esquire of Hurricane, West Virginia.

11. **DEFEASANCE OF SERIES 1977 BONDS; EXCESS SERIES 1977 BONDS MONEYS:** The funds on deposit with the Commission pursuant to the Escrow Agreement by and between the Issuer and the Commission, the paying agent of the Series 1977 Bonds, dated as of the date hereof, are sufficient to fully pay the entire outstanding principal of, the redemption premium for and all interest accrued on the Series 1977 Bonds on April 1, 2004, the Redemption Date. As of the date of hereof, the Series 1977 Bonds have been prepaid and refunded and the liens and pledges securing the Series 1977 Bonds have been discharged and defeased.

Any excess moneys in the Series 1977 Bonds Sinking Fund and Series 1977 Bonds Reserve Account over the total required to pay the Series 1977 Bonds on the Redemption Date, will be returned to the Issuer and used by the Issuer within not more than six (6) months from the date hereof for capital projects. Counsel for the Issuer makes no certifications as to this paragraph No. 11.

12. **MEETINGS:** All actions, ordinances, resolutions, orders and agreements taken, adopted and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds and the refunding of the Series 1977 Bonds were authorized or adopted at meetings of the Council duly and regularly or specifically called and held pursuant to all applicable statutes and the rules of procedure of the Council, and a quorum of duly appointed, qualified and acting members of the Council 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. Counsel for the Issuer makes no certifications as to this paragraph No. 12.

13. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE:

Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Council of the Issuer to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in The Hurricane Breeze, a newspaper published and of general circulation in the City of Hurricane, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Ordinance, stating that any person interested may appear before the Council at the public hearing held at a public meeting of Council on the 6th day of October, 2003, at 7:15 p.m., in the Council Chambers of the City Hall of the City of Hurricane and present protests, and stating that a certified copy of the Ordinance was on file at the office of the Recorder of the Issuer for review by interested parties during the office hours of the Recorder. At such hearing all objections and suggestions were heard by the Council of the Issuer and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect. Counsel for the Issuer makes no certifications as to this paragraph No. 13.

14. SPECIMEN BOND: Attached hereto as Exhibit A is a specimen of the Bond which, except as to execution and authentication, is identical in all respects with such Bond this day delivered to the Original Purchaser and being substantially in the form prescribed in the Ordinance. Counsel for the Issuer makes no certifications as to this paragraph No. 14.

15. CONFLICTS OF INTEREST: No member, 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 the sale of any land, materials, supplies or services to the Issuer, or to any contractor supplying the Issuer, relating to the Bonds and the Ordinance, including, without limitation, with respect to the Original Purchaser. 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.

16. IRS INFORMATION RETURN: On the date hereof, the undersigned Mayor did officially sign a properly completed IRS Form 8038-G and will cause such executed Form 8038-G to be filed in a timely manner. The information set forth in such Form 8038-G is true, correct and complete in all respects. Counsel for the Issuer makes no certifications as to this paragraph No. 16.

17. RELIANCE: The undersigned acknowledge that it is intended that interest on the Bonds be exempt from federal income tax in the hands of the owners thereof, that the firm of Steptoe & Johnson PLLC is rendering opinions on the date hereof to said effect and with respect to other matters, and that in rendering said opinions, said firm is relying, among other things, upon the statements made herein.

18. USE OF BOND PROCEEDS: The proceeds of the Series 2003 A Bonds not used to advance refund the Series 1977 Bonds and to pay costs of issuance of the Series 2003 A Bonds and other costs in connection with such refunding, and all moneys returned to the Issuer by the Commission from the Series 1977 Bonds Sinking Fund and the Series 1977 Bonds Reserve Account therein, shall be expended on capital projects of the Issuer within not more than six (6) months of October 15, 2003. Counsel for the Issuer makes no certifications as to this paragraph No. 18.

19. COUNTERPARTS: This Certificate may be executed in counterparts and all counterparts shall be deemed to be the Certificate.

EXHIBIT A

Specimen Bond (See Transcript at Tab No. 5).

WITNESS our signatures and the official corporate seal of the City of Hurricane
on as of the day and year first above written.

[SEAL]

Signature

Official Title

Raymond Peak

Mayor

Linda L. Gibson

Recorder

Attorney

10/20/03
435630.00001

WITNESS our signatures and the official corporate seal of the City of Hurricane
on as of the day and year first above written.

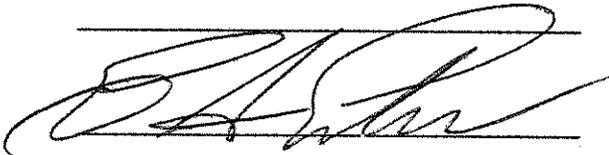
[SEAL]

Signature

Official Title

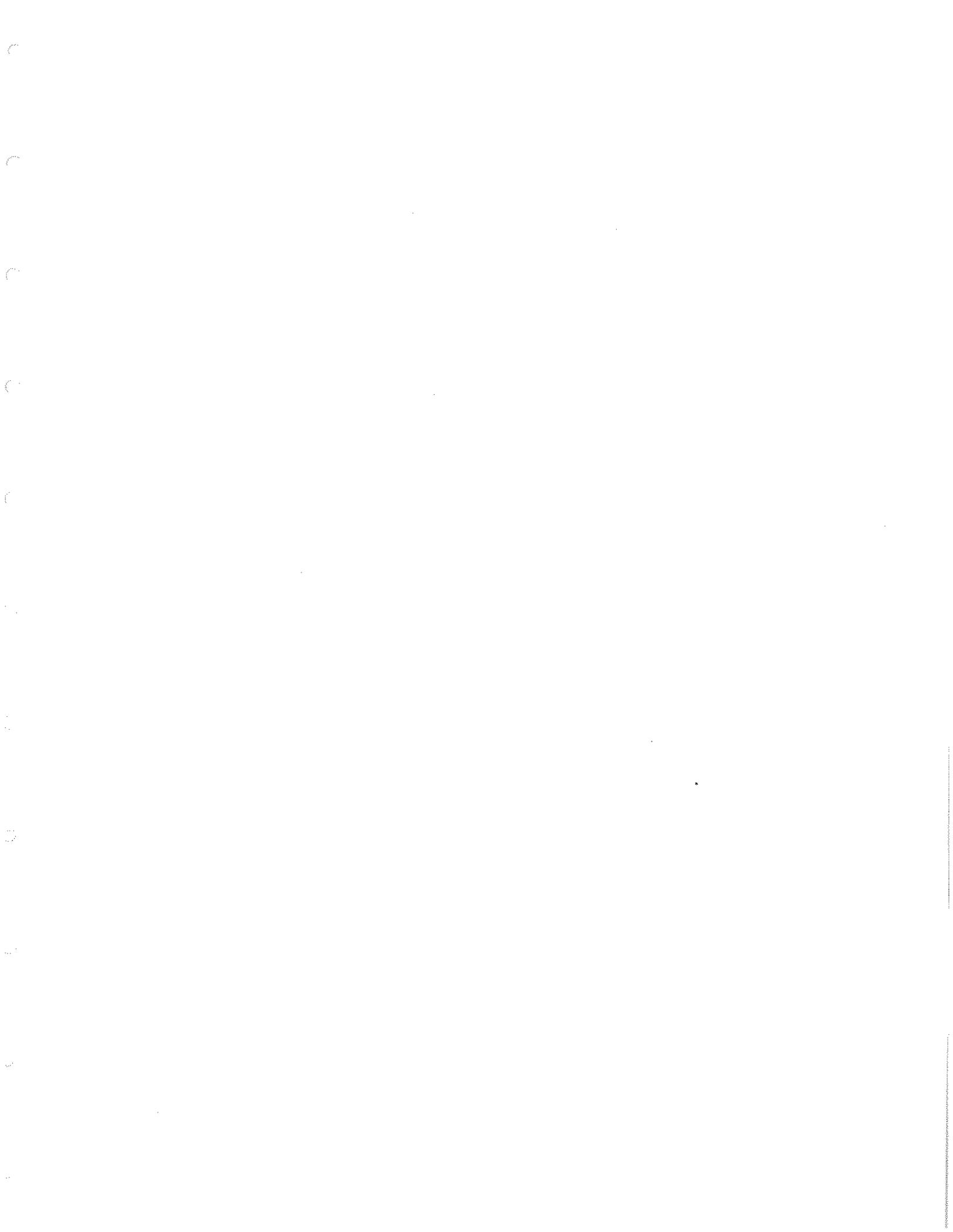
Mayor

Recorder

A handwritten signature in black ink, appearing to be 'D. H. ...', written over a horizontal line.

Attorney

10/20/03
435630.00001



CITY OF HURRICANE
Sewer Refunding Revenue Bonds, Series 2003 A

CERTIFICATE AS TO ARBITRAGE

On this the 28th day of October, 2003, the undersigned Mayor of the City of Hurricane in Putnam County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of \$290,000 Sewer Refunding Revenue Bonds, Series 2003 A, of the Issuer, dated October 28, 2003 (the "Bonds"), hereby certifies as follows:

1. This certificate is being executed and delivered pursuant to Section 148 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"). I am one of the officers of the Issuer duly charged with the responsibility of issuing the 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 same meaning as set forth in the Bond Ordinance duly enacted by the Issuer on October 6, 2003, as supplemented (collectively, the "Bond Ordinance"), authorizing the Bonds.

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

3. The Issuer has not been notified by the Internal Revenue Service of any listing or proposed listing of it as an issuer that may not certify its bonds or the certification of which may not be relied upon by holders of obligations of the Issuer or that there is any disqualification of the Issuer by the Internal Revenue Service because a certification made by the Issuer contains a material misrepresentation.

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on October 28, 2003, the date on which the Bonds are to be physically delivered in exchange for the purchase price of the Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

5. In the Bond Ordinance pursuant to which the Bonds are issued, the Issuer has covenanted 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 Bonds which would cause the Bonds to be

"arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Bonds) so that the interest on the 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. The Issuer has, therefore, covenanted to not intentionally use any portion of the proceeds of the Bonds to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except as otherwise allowed under Sections 103 and 148 of the Code.

6. The Bonds were sold on October 28, 2003, to Branch Banking and Trust Company, Charleston, West Virginia (the "Purchaser") for an aggregate purchase price of \$290,000 (100% of par value). No accrued interest has been or will be paid on the Bonds.

7. The Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of paying a portion of the costs necessary to advance refund the Issuer's Sewer Revenue Bonds, Series 1977 (the "Series 1977 Bonds").

8. The Series 1977 Bonds were issued for the purpose of paying the costs of acquisition and construction of the public sewerage facilities of the Issuer.

9. The sources and uses of the proceeds of the Bonds and the moneys from the Series 1977 Bonds Sinking Fund and the Series 1977 Bonds Reserve Account (collectively, "Issuer's Funds") are as follows:

SOURCES

Series 2003 A Bonds Proceeds	\$290,000
Series 1977 Bonds Reserve Account	<u>12,000</u>
	\$302,000

Total Sources

USES

Prepay Series 1977 Bonds	\$302,000
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Total Uses

10. The Issuer has entered into an Escrow Agreement (the "Escrow Agreement"), dated October 28, 2003, with the West Virginia Municipal Bond Commission (the "Commission"), the paying agent of the Series 1977 Bonds. Provision will be made for the payment of the Series 1977 Bonds by depositing with the Commission, cash in the amount of \$302,000, consisting of (i) \$290,000 from the proceeds of the Bonds and (ii) \$12,000 from the Issuer's Funds, which will provide sufficient funds to pay the Redemption Price of the Series 1977 Bonds on the Redemption Date.

11. [RESERVED].

12. [RESERVED].

13. No proceeds of the Bonds will be used for costs of issuance.

14. [RESERVED].

15. No more than 10% of the proceeds of the Bonds will be used (directly or indirectly) in any trade or business carried on by, and less than 5% of the proceeds of the Bonds or \$5,000,000 have been or will be used to make or finance loans to, any person who is not a governmental unit.

16. The original proceeds of the Bonds will not exceed the amount necessary for the purposes of the issue, except to the extent any such proceeds are required for rebate to the United States.

17. The Issuer shall use the proceeds of the Bonds solely to prepay and advance refund the Series 1977 Bonds.

18. 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 treatment afforded by Section 103(a) of the Code by reason of 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 the Regulations promulgated or to be promulgated thereunder in order to assure that the interest on the Bonds is excluded from gross income for federal income tax purposes.

19. The Bonds are not, and will not be, in whole or part, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

20. The Issuer will rebate to the United States the amount, if any, required by the Code and take all steps necessary to make such rebates. In the event the Issuer fails to make such rebates as required, the Issuer shall pay the required rebate amount and any and all penalties and other amounts from lawfully available sources, and obtain a

waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes. The Issuer does not qualify for the Small Issuer Exception to the payment of rebate created in Section 148(f)(4)(D) of the Code with respect to the Bonds.

21. The Issuer has retained the right to amend the Bond Ordinance authorizing the issuance of the Bonds if such amendment is necessary to assure compliance with Section 148(f) of the Code or as may otherwise be necessary to assure the exclusion of interest on the Bonds from gross income for federal income tax purposes.

22. The Issuer shall comply with the yield restriction on the proceeds of the Bonds as set forth in the Code.

23. The Issuer covenants and agrees to comply with the rebate requirements of the Code if not exempted therefrom, and with all other requirements of the Code necessary, proper or desirable to maintain the tax-exempt status of the Bonds and the interest thereon. In addition, the Issuer has covenanted to comply with all Regulations from time to time in effect and applicable to the Bonds as may be necessary in order to fully comply with Section 148(f) of the Code and has covenanted to take such actions, or refrain from taking such actions, as may be necessary to fully comply with Section 148(f) of the Code and the Regulations, regardless of whether such actions may be contrary to any of the provisions of the Ordinance authorizing issuance of the Bonds.

The Issuer has further covenanted to calculate, annually, the rebatable arbitrage, determined in accordance with Section 148 (f) of the Code. Upon completion of each such annual calculation, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which shall be paid from investment earnings on the underlying fund or account established in the Ordinance and on which such rebatable arbitrage was earned or from other lawfully available sources. The Issuer has further covenanted to pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148 (f) of the Code and the Regulations. The Issuer shall remit payments to the United States at the time and at the address prescribed by the Regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by the Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor.

24. The Issuer shall at all times take, and refrain from taking, and shall not fail to take, any and all actions necessary in order to assure the initial and continued tax-exempt status of the Bonds and the interest thereon. Less than 10% of the proceeds of the Bonds will be used, directly or indirectly, for any private business use, and less than 10% of

the payment of principal of, or the interest on, such issue, under the terms of such issue or any underlying arrangement, is, directly or indirectly, secured by any interest in property used or to be used for a private business use, or payments in respect of such property, or 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. None of the proceeds of the Bonds will be used, directly or indirectly, for any private business use which is not related to the governmental use of the proceeds of the Bonds, including the disproportionate related business use of the proceeds of the Bonds, and none of the payment of principal of, or the interest on, such issue, under the terms of any underlying arrangement, is, directly or indirectly, secured by any interest in property used, or to be used for a private business use, payments in respect of such property or 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 with respect to such private business use, which is not related to any government use of such proceeds, including the disproportionate business use of the issue of the Bonds. None of the proceeds of the issue of the Bonds will be used, directly or indirectly, to make or finance loans to persons other than governmental units. For purposes of this paragraph, private business use means use, directly or indirectly, in a trade or business carried on by any person, including related persons, other than a governmental unit or other than use as a member of the general public. All of the foregoing shall be determined in accordance with and within the meaning of the Code.

25. The Bonds are a fixed yield issue. No interest or other amount payable on the Bonds (other than in the event of an unanticipated contingency) is determined by reference to (or by reference to an index that reflects) market interest rates or stock or commodity prices after the date of issue.

26. None of the Bonds has a yield-to-maturity more than one-fourth of one percent higher than the yield on the Bonds determined by assuming the Bonds are retired on the date that when used in computing the yield on the Bonds produces the lowest yield.

27. No portion of the proceeds of the Bonds will be used, directly or indirectly to acquire higher yielding investments, or to replace funds which were used, directly or indirectly, to acquire higher yielding investments, all within the meaning of Section 148 of the Code.

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

29. The transaction contemplated herein does not represent an exploitation of the difference between taxable and tax-exempt interest rates and the execution and delivery of the Bonds is not occurring sooner than otherwise necessary, nor are the Bonds in principal amounts greater than otherwise necessary or to be outstanding longer than otherwise necessary.

30. On the basis of the foregoing, it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

31. On the date hereof, the undersigned Mayor did officially execute a properly completed IRS Form 8038-G in connection with the Bonds and will cause such executed IRS Form 8038-G to be filed in a timely manner pursuant to Section 149(e) of the Code with the applicable Internal Revenue Service Center. The information contained in such executed Form 8038-G is true, correct and complete.

32. The Issuer does not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations (other than private activity bonds and bonds issued to currently refund any obligation of the Issuer) during the calendar year 2003 and hereby and in the Ordinance designates the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

33. The Issuer is a governmental unit and has general taxing powers; no Bonds are private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the aggregate face amount of all tax-exempt bonds or obligations (other than private activity bonds) issued by the Issuer during the calendar year 2003, the calendar year in which the Bonds are issued, is not reasonably expected to exceed \$5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code. For purposes of this paragraph and for purposes of applying such Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this paragraph and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this paragraph and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be

treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefiting thereby shall be treated as one issuer. No portion of the Bonds is issued to refund other obligations. Therefore, the Issuer qualifies for the small governmental issuer exception to rebate.

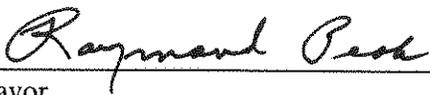
34. To the best of my knowledge, information and belief, there are no other facts, estimates and circumstances which would materially change the expectations herein expressed.

35. Steptoe & Johnson PLLC is entitled to rely upon the representations, expectations, covenants, certifications and statements contained herein in rendering its opinions regarding the tax-exempt status of interest on the Bonds.

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

WITNESS my signature on this 28th day of October, 2003.

CITY OF HURRICANE



Mayor

10/20/03
435630.00001

CH628194.1

CITY OF HURRICANE

Sewer Refunding Revenue Bonds, Series 2003 A

REGISTRAR'S CERTIFICATE

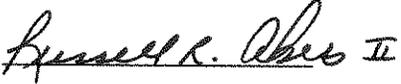
Branch Banking and Trust Company, Charleston, West Virginia (the "Bank"), as Registrar for the above-captioned Bonds (the "Bonds"), hereby certifies as follows, all capitalized terms used herein to have the same meanings set forth in the Ordinance of the City of Hurricane (the "Issuer") enacted October 6, 2003, as supplemented (collectively, the "Ordinance"):

1. The Bank is a national banking association duly organized, validly existing, and in good standing under the laws of the United States of America, may lawfully conduct business in West Virginia, and is lawfully empowered, pursuant to such laws, to accept the duties and obligations contemplated and as provided under the Ordinance and to serve in the capacity of Registrar under the Ordinance.

2. The Bank has duly authorized, by all necessary action, the authentication of the Bonds and the execution and delivery of this Certificate and the acceptance of all duties of Registrar under the Ordinance, and any and all other documents and agreements as may be required to be executed, delivered and received by the Bank in order to carry out, give effect to, and consummate the transactions contemplated thereby.

3. The person indicated in paragraph 4 below was at the time of the authentication of the Bonds, and is now, a duly elected, qualified and acting incumbent in his or her office; and, pursuant to authorization from the Board of Directors of the Bank, such person, in his or her official capacity, was and is authorized to authenticate the Bonds for and on behalf of the Bank.

4. Appearing opposite the name and title of the person indicated below is a true and correct specimen of his or her signature.

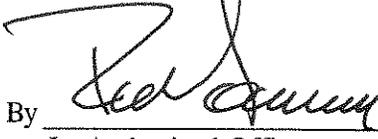
<u>Name</u>	<u>Title</u>	<u>Signature</u>
Russell R. Akers, II	Assistant Vice President	

5. There have been filed with the Bank all of the documents listed in Section 3.12 of the Ordinance; the Bonds have been duly authenticated and delivered to the Original Purchaser, and proceeds of the Bonds have been deposited as required by the Ordinance.

6. Attached hereto as EXHIBIT A is a correct listing of the Bond numbers, maturity dates, principal amounts and interest rates of the Bonds.

WITNESS my signature on this 28th day of October, 2003.

BRANCH BANKING AND
TRUST COMPANY

By 
Its Authorized Officer
VICE PRESIDENT

10/20/03
435630.00001

CH628212.1

EXHIBIT A - SERIES 2003 A BOND TERMS

<u>Bond No.</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
AR-1	April 1, 2012	\$290,000	4.10%



Griffith & Associates

Certified Public Accountants & Consultants

October 28, 2003

City of Hurricane
Sewer Refunding Revenue Bonds, Series 2003 A

City of Hurricane
Hurricane, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Branch Banking and Trust Company
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

In connection with the issuance and delivery of the above-captioned bonds (the "Series 2003 A Bonds"), a portion of the proceeds of which will be used to prepay and advance refund the City of Hurricane's (the "Issuer") Sewer Revenue Bonds, Series 1977 (the "Series 1977 Bonds"), I have reviewed the debt service schedules (copies of which are attached hereto and incorporated herein by reference) for the Series 1977 Bonds and the Series 2003 A Bonds and, based upon such review, I hereby certify that the savings to be achieved by such refunding will be approximately \$34,115, determined by deducting \$343,435, the amount of the total debt service on the Series 2003 A Bonds, from \$377,550, the amount of the total debt service remaining on the Series 1977 Bonds.

I have also reviewed the sewer rates of the Issuer, as adopted by the Issuer pursuant to an ordinance enacted October 6, 2003, and the current operating expenses and customer usage as provided by the Issuer. It is my opinion that such rates are sufficient (i) to provide for all operating expenses of the sewerage system of the Issuer (the "System"), and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for the payment of principal of and interest on the Issuer's Sewer Revenue Bonds, Series 1989 A (the "Series 1989 A Bonds"), Sewer Revenue Bonds, Series 1989 B (the "Series 1989 B Bonds") and the Series 2003 A Bonds proposed to be issued on October 7, 2003.

It is further my 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 2003 A Bonds are not less than 115% of the largest aggregate amount that will mature and become due in any succeeding fiscal year for principal of and interest on the Series 1989 A Bonds, the Series 1989 B Bonds and the Series 2003 A Bonds.

Very truly yours,

Griffith & Associates

GRIFFITH & ASSOCIATES



Clarksburg Charleston Morgantown Martinsburg Wheeling Parkersburg

Bank One Center, Seventh Floor

P.O. Box 1588

Charleston, WV 25326-1588

(304) 353-8000 (304) 353-8180 Fax

www.steptoelaw.com

Writer's Contact Information

(304) 353-8179 - Telephone

(304) 353-8181 - Fax

gilberte@steptoelaw.com

October 9, 2003

FILE COPY

City of Hurricane
Sewer Refunding Revenue Bonds, Series 2003 A

Via Facsimile and Regular Mail

R. Witter Hallan, Executive Director
West Virginia Municipal Bond Commission
8 Capitol Street, Suite 500
Charleston, West Virginia 25301

Dear Mr. Hallan:

As bond counsel for the City of Hurricane (the "City"), we wish to advise you that on October 15, 2003 (the "Settlement Date"), the City will deliver its Sewer Refunding Revenue Bonds, Series 2003 A ("Series 2003 A Bonds") to Branch Banking and Trust Company, Charleston, West Virginia (the "Underwriter"), the purchaser thereof, in order to advance refund the City's Sewer Revenue Bonds, Series 1977, dated April 1, 1977, issued in the original principal amount of \$465,000 (the "Series 1977 Bonds").

On the Settlement Date, the City will wire a portion of the proceeds of the Bonds to the West Virginia Municipal Bond Commission (the "Commission"), in the amount of \$290,000, all of which shall be deposited in the Escrow Fund created under the Escrow Agreement by and among the City and the Commission, as Escrow Agent and Paying Agent. \$12,000 shall be transferred from the Series 1977 Bonds Reserve Account into the Escrow Fund in order to provide sufficient monies to advance refund the Series 1977 Bonds on April 1, 2004.

Additionally, on the Settlement Date, any funds remaining in the Series 1977 Bonds Sinking Fund and the Series 1977 Bonds Reserve Account which will not be applied to the refunding of the Series 1977 Bonds shall be returned to the Issuer.

CH616273.1



Member of the Worldwide Network of Independent Law FirmsSM

R. Witter Hallan, Executive Director
October 9, 2003
Page 2

If you have any questions regarding the foregoing, please feel free to call me.

Very truly yours,

Elizabeth A. Gilbert

Elizabeth A. Gilbert

CITY OF HURRICANE

Sewer Refunding Revenue Bonds, Series 2003 A

ESCROW AGREEMENT

This ESCROW AGREEMENT, made and entered into as of October 28, 2003, by and between the CITY OF HURRICANE (the "Issuer") and the WEST VIRGINIA MUNICIPAL BOND COMMISSION (the "Commission" or the "Escrow Agent").

WITNESETH THAT:

WHEREAS, the Issuer presently owns and operates a public sewerage system (the "System") and has heretofore financed the acquisition and construction of the System and certain additions, extensions and improvements thereto by issuance of several series of bonds, of which there are presently outstanding (i) Sewer Revenue Bonds, Series 1977, dated April 1, 1977, issued in the original aggregate principal amount of \$465,000, of which approximately \$290,000 is presently outstanding (the "Series 1977 Bonds"); (ii) the Sewer Revenue Bonds, Series 1989 A, dated December 28, 1989, issued in the original aggregate principal amount of \$2,331,311 (the "Series 1989 A Bonds"); and (iii) Sewer Revenue Bonds, Series 1989 B, dated December 28, 1989, issued in the original aggregate principal amount of \$108,789 (the "Series 1989 B Bonds").

WHEREAS, the Series 1977 Bonds were issued pursuant to an ordinance of the Issuer enacted April 12, 1977, as supplemented by a supplemental resolution adopted on July 18, 1977 (collectively, the "1977 Ordinance");

WHEREAS, the Issuer has determined to issue its Sewer Refunding Revenue Bonds, Series 2003 A (the "Series 2003 A Bonds"), pursuant to an Ordinance enacted October 6, 2003, as supplemented by a supplemental resolution adopted October 6, 2003 (collectively, the "2003 Ordinance"), and contemporaneously therewith, legally defease the Series 1977 Bonds by applying proceeds of the Series 2003 A Bonds and certain moneys of the Issuer ("Issuer's Funds") to be deposited in the Escrow Fund herein described;

WHEREAS, the amounts in the Escrow Fund which will be delivered to the Escrow Agent simultaneously with the delivery of the Series 2003 A Bonds, shall be sufficient to insure the payment of the principal of and interest on the Series 1977 Bonds on April 1, 2004, being the redemption date thereof (the "Redemption Date"), plus a redemption premium thereon (collectively, the "Redemption Price"); and

WHEREAS, the Issuer has found it desirable to appoint the Escrow Agent and the Escrow Agent has agreed to such appointment for the purposes disbursing to the paying agent on the Redemption Date, the Redemption Price and holding, investing and reinvesting any cash balances which may at any time not be needed for immediate disbursement.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and in order further to secure payment of the Series 1977 Bonds, as heretofore provided, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives, successors and assigns, as follows:

1. There is hereby created and established with the Escrow Agent an irrevocable trust fund to be known as the Escrow Fund, to be held in the custody of the Escrow Agent, separate and apart from all other funds of the Issuer and the Escrow Agent. The deposit of moneys in the Escrow Fund shall constitute an irrevocable deposit of said moneys in trust for, and such moneys, together with any interest earned thereon, shall be applied, except as otherwise provided herein, to the payment on the Redemption Date of the Redemption Price, all in accordance with paragraph 5 hereof.

2. Concurrently with the delivery of the Series 2003 A Bonds, the Commission shall transfer from the Series 1977 Bonds Reserve Account the sum of \$12,000 to the Escrow Agent for deposit into the Escrow Fund.

3. Concurrently with the delivery of the Series 2003 A Bonds, the Issuer and the Escrow Agent shall cause (i) Series 2003 A Bonds proceeds in the amount of \$290,000, and (ii) the amount described in paragraph 2 above, on deposit with the Commission in the Series 1977 Bonds Reserve Account in the amount of \$12,000 (total of \$302,000) to be deposited in the Escrow Fund, and to hold such amount as cash, uninvested, in the Escrow Fund. The amount of cash in the Escrow Fund shall be applied solely to the payment of the Series 1977 Bonds.

4. The Escrow Agent shall transfer from the Escrow Fund and deposit directly with the paying agent for the Series 1977 Bonds, in immediately available funds, on the Redemption Date, the Redemption Price. The Escrow Agent is not required to provide

any redemption notice to the holder of the Series 1977 Bonds, as such holder has certified in writing that no such notice is required.

5. The holders of the Series 1977 Bonds shall have an express lien on all moneys in the Escrow Fund until paid out, used and applied in accordance with this Agreement.

6. Subject to the provisions of paragraph 16 hereof, 12 months after the payment of all amounts required to be paid pursuant to paragraph 5 of this Agreement, the amounts remaining in the Escrow Fund shall be paid to the Issuer.

7. The Escrow Agent shall be entitled to fees for services rendered under this Escrow Agreement and reasonable expenses as set forth in EXHIBIT A - ESCROW AGENT FEES, attached hereto. The Issuer shall pay from its own funds, to the Escrow Agent the amounts at the times set forth in EXHIBIT A. In no event shall such fees or expenses be paid from the Escrow Fund, nor shall the Escrow Agent or the paying agent have any lien whatsoever upon any of the moneys in the Escrow Fund for the payment of such fees or expenses.

8. The Issuer and the Escrow Agent independently hereby covenant that no part of the moneys at any time in the Escrow Fund shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any of the Series 1977 Bonds or the Series 2003 A Bonds to be an "arbitrage bond" as defined in Section 148 of the Code, or to be subject to treatment under Section 148 as an obligation not described in Section 103 of the Code.

9. The Escrow Agent shall not have any responsibility with respect to the sufficiency of this Escrow Agreement to effect payment, redemption or defeasance of the Series 1977 Bonds. The liability of the Escrow Agent for the payment of the principal of, interest on and Redemption Price of the Series 1977 Bonds shall be limited to the payment of all amounts required to be paid pursuant to paragraph 5 hereof. The Escrow Agent shall not be liable or responsible because of the failure of the Issuer to perform any act required of it by this Escrow Agreement. The Escrow Agent shall have no responsibility to the Issuer or any other person in connection with this Escrow Agreement, except as specifically provided herein, and shall not be responsible for anything done or omitted to be done by it except for its own negligence or willful default in the performance of any obligation imposed on it hereunder.

10. By execution of this Escrow Agreement, the Escrow Agent accepts the duties and obligations as Escrow Agent hereunder. The Escrow Agent represents that it has all requisite power, and has taken all action necessary to execute the trusts hereby created.

11. If the Escrow Agent is called upon by the terms of this Escrow Agreement to determine the occurrence of any event or contingency, the Escrow Agent may request from the Issuer or any other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may inquire and consult with the Issuer, at any time. The Escrow Agent may request an opinion of counsel for a determination of any legal issue which might arise in the performance of its duties hereunder and may act in accordance with the advice given in such opinion.

12. The Escrow Agent shall not be liable for any loss resulting from any investment made pursuant to the terms and provisions of this Escrow Agreement.

13. The Escrow Agent may act upon any notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other instrument or document which the Escrow Agent in good faith believes to be genuine and correct and to have been signed or sent by the proper person or persons.

14. The Escrow Agent may resign or be removed by the Issuer, and thereby become discharged from the trusts hereby created, by notice given to the Issuer not less than thirty (30) days before such resignation or removal shall take effect. Such resignation or removal shall take effect immediately, however, upon the earlier appointment of a new Escrow Agent hereunder and acceptance of the trusts hereby created. The Escrow Agent shall continue to serve as Escrow Agent until a successor is appointed and the funds held hereunder transferred. The Escrow Agent shall provide a proper accounting to the Issuer of all funds deposited pursuant to this Escrow Agreement within 30 days of the appointment of a successor Escrow Agent. If no such appointment has been made at the end of the 30 day period, the Escrow Agent may petition a court of competent jurisdiction for appointment of a successor or temporary Escrow Agent. In the event of the resignation or removal of the Escrow Agent, the Escrow Agent shall rebate to the Issuer any fees theretofore paid in advance by the Issuer to the Escrow Agent for its services under this Escrow Agreement.

15. This Escrow Agreement is made for the benefit of the Issuer, the Escrow Agent and the holders from time to time of the Series 1977 Bonds, except as otherwise expressly provided herein. This Escrow Agreement may be modified or amended at any time, provided, however, that no such modification or amendment shall be made which would, materially adversely affect the interest of any of the holders of the Series 1977 Bonds.

16. If any Outstanding Series 1977 Bonds are not presented for payment on the Redemption Date, and moneys are held by the Escrow Agent for payment thereof, such moneys shall be held for such purposes for a period of 5 years from the Redemption Date, at which time such moneys shall be paid to the Issuer. Following such payment to the Issuer, the Issuer shall be responsible for payment to any holder of the Series 1977 Bonds presenting such Series 1977 Bonds to the Escrow Agent of the amount payable to such holder.

17. This Escrow Agreement shall terminate on the earlier of the date on which all the Outstanding Series 1977 Bonds have been redeemed, paid in full and discharged, or, as described in paragraph 16 above, 5 years after the last date on which payment on the Series 1977 Bonds is due. Upon termination of this Escrow Agreement, any remaining moneys in the Escrow Fund shall be transferred as provided in paragraph 6 hereof.

18. If any one or more of the covenants or agreements provided in this Escrow Agreement to be performed on the part of any of the parties hereto shall be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

19. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

20. This Escrow Agreement is made in the State of West Virginia under the Constitution and laws of such State and is to be so construed.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement on the day and year first above written.

CITY OF HURRICANE



Mayor

WEST VIRGINIA MUNICIPAL BOND
COMMISSION



Executive Director

10/09/03
435630.00001

EXHIBIT A - ESCROW AGENT FEES

None.

[TO BE SENT BY REGISTERED OR CERTIFIED MAIL
AT LEAST 30 DAYS AND NOT MORE THAN 60 DAYS
PRIOR TO REDEMPTION DATE]

NOTICE OF REDEMPTION

City of Hurricane
Sewer Revenue Bonds, Series 1977
Dated: April 1, 1977

TO THE HOLDERS OF ALL THE ABOVE-CAPTIONED BONDS:

NOTICE IS HEREBY GIVEN that all of the outstanding City of Hurricane Sewer Revenue Bonds, Series 1977, maturing after April 1, 2004 (the "Refunded Bonds"), have been ordered by the City to be redeemed on April 1, 2004, in accordance with the provisions of the Bond Ordinance pursuant to which the Refunded Bonds were issued. The outstanding Refunded Bonds were issued as current interest bonds and mature on April 1 in the following years:

<u>Principal Amount</u>	<u>Maturity Date (April 1)</u>	<u>CUSIP</u>	<u>Interest Rate</u>
\$ 25,000	2004		6.50%
\$ 25,000	2005		6.50%
\$ 30,000	2006		6.50%
\$ 30,000	2007		6.50%
\$ 30,000	2008		6.50%
\$ 35,000	2009		6.50%
\$ 35,000	2010		6.50%
\$ 40,000	2011		6.50%
\$ 40,000	2012		6.50%

All Refunded Bonds maturing on or after April 1, 2004, are to be surrendered for payment of the principal of the Refunded Bonds, a redemption premium equal to 1/2 of 1% of the par value of any Bond so redeemed, for each year from the date of redemption to its stated maturity, not to exceed 3% of the par value, and interest accrued thereon (collectively, the "Redemption Price") to April 1, 2004 (the "Redemption Date") to:

West Virginia Municipal Bond Commission
8 Capitol Street
Suite 500
Charleston, WV 25301
Attention: Executive Director

There has been deposited with the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Escrow Agent for the Refunded Bonds, an amount sufficient to fully pay, on the Redemption Date, the Redemption Price. On the Redemption Date, interest will cease to accrue on all Refunded Bonds and the Refunded Bonds will be deemed to be paid from such date.

No representation is made as to the correctness of the CUSIP numbers, either as printed on the Refunded Bonds or as contained in this notice or the mailing of this notice (including any failure to mail such notice).

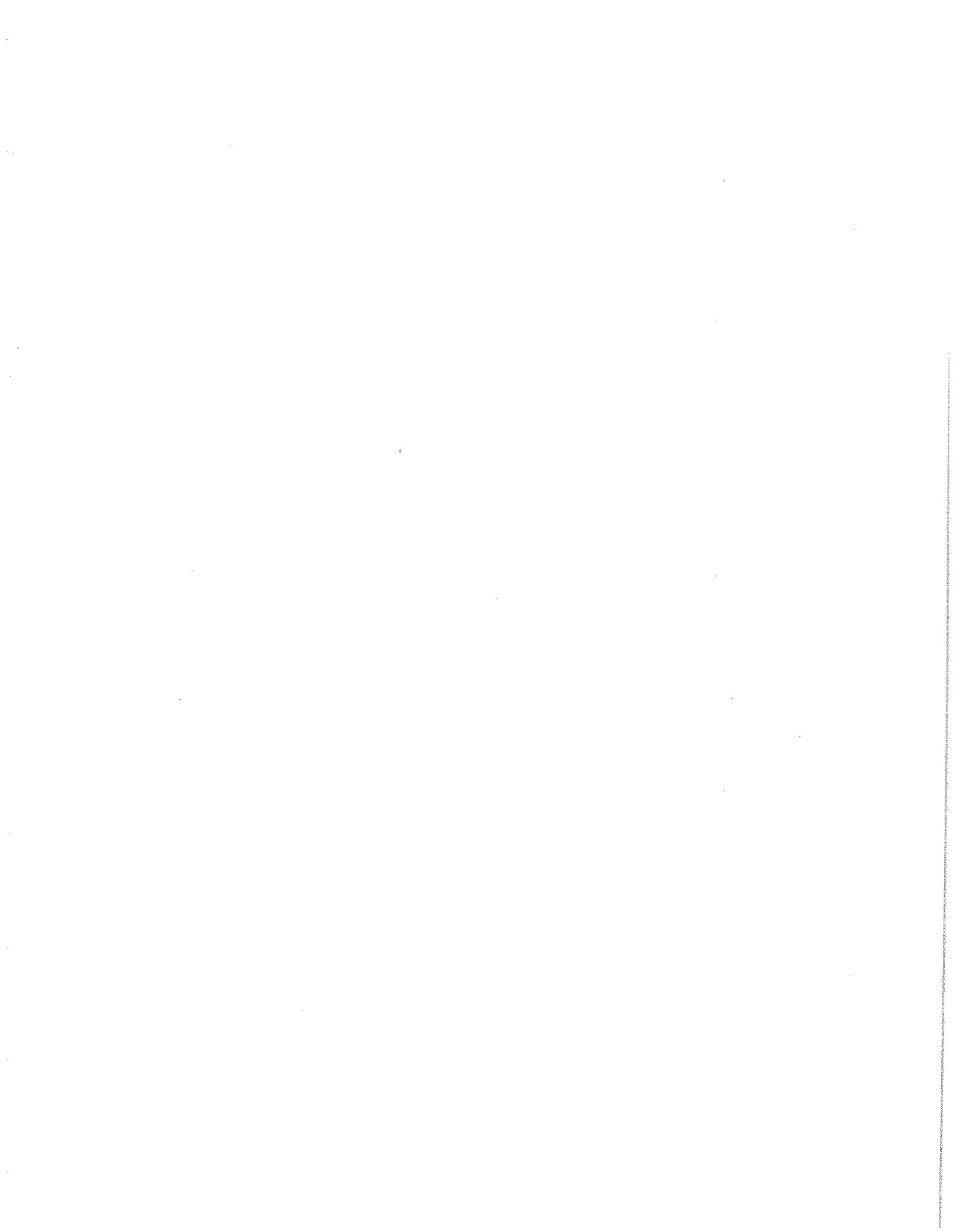
IMPORTANT: Under Federal law, individual holders of the Refunded Bonds who present such bonds for payment are required to submit their social security number, certified as correct under penalty of perjury. The required certification may be made on an Internal Revenue Service Form W-9. Holders of the Refunded Bonds may obtain copies of Form W-9 from their local bank or broker. If the social security number is not submitted and certified as correct, 31% of the principal due under the bonds must be withheld and paid over to the IRS.

WEST VIRGINIA MUNICIPAL BOND
COMMISSION

/s/ _____
Authorized Officer

Dated: _____, 2004.

09/30/03
435630.00001



October 27, 2003

City of Hurricane
Sewer Refunding Revenue Bonds, Series 2003 A

Via Hand Delivery

R. Witter Hallan, Executive Director
West Virginia Municipal Bond Commission
8 Capitol Street, Suite 500
Charleston, West Virginia 25301

Dear Mr. Hallan:

As bond counsel for the City of Hurricane (the "City"), we wish to advise you that on October 28, 2003 (the "Settlement Date"), the City will deliver its Sewer Refunding Revenue Bonds, Series 2003 A ("Series 2003 A Bonds") to Branch Banking and Trust Company, Charleston, West Virginia (the "Underwriter"), the purchaser thereof, in order to advance refund the City's Sewer Revenue Bonds, Series 1977, dated April 1, 1977, issued in the original principal amount of \$465,000 (the "Series 1977 Bonds").

On the Settlement Date, the City will wire a portion of the proceeds of the Bonds to the West Virginia Municipal Bond Commission (the "Commission"), in the amount of \$290,000, all of which shall be deposited in the Escrow Fund created under the Escrow Agreement by and among the City and the Commission, as Escrow Agent and Paying Agent. \$12,000 shall be transferred from the Series 1977 Bonds Reserve Account into the Escrow Fund in order to provide sufficient monies to advance refund the Series 1977 Bonds on April 1, 2004. Additionally, \$40,346, an amount sufficient to fully fund the Series 2003 A Bonds Reserve Account, shall be transferred from the Series 1977 Bonds Reserve Account to the Series 2003 A Bonds Reserve Account.

Additionally, on the Settlement Date, any funds remaining in the Series 1977 Bonds Sinking Fund and the Series 1977 Bonds Reserve Account which will not be applied to the refunding of the Series 1977 Bonds or funding of the Series 2003 A Bonds Reserve Account shall be returned to the Issuer.

If you have any questions regarding the foregoing, please feel free to call me.

Very truly yours,

Elizabeth A. Gilbert

Elizabeth A. Gilbert

10/20/03
435630.00001

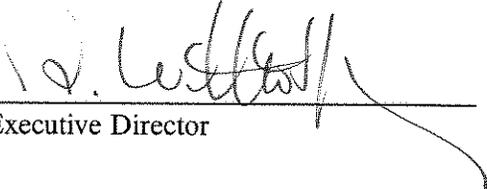
CITY OF HURRICANE
Sewer Refunding Revenue Bonds, Series 2003 A

CERTIFICATE OF REDEMPTION DATE AND PRICE

The undersigned duly authorized representative of the West Virginia Municipal Bond Commission (the "Commission"), the registrar of the entire outstanding aggregate principal amount of the Sewer Revenue Bonds, Series 1977, dated April 1, 1977 (the "Series 1977 Bonds"), of the City of Hurricane (the "Issuer"), hereby certifies that the first permitted redemption date of the Series 1977 Bonds is April 1, 2004, and the redemption price due on such date is \$290,000, and hereby also acknowledges that the Issuer will redeem all outstanding Series 1977 Bonds on April 1, 2004, without providing the Commission with any further notice of such redemption.

WITNESS my signature on this 28th day of October, 2003.

WEST VIRGINIA MUNICIPAL BOND COMMISSION

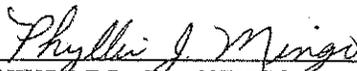

Executive Director

10/20/03
435630.00001

STATE OF WEST VIRGINIA,

COUNTY OF PUTNAM, To-wit:

I, PHYLLIS J. MINGO, being the RECORDER of the City of Hurricane, West Virginia, since July 1, 1977, do hereby certify that the attached is a true and accurate copy of the original which is on file in my office.



PHYLLIS J. MINGO
CITY RECORDER

NOTICE TO ALL PERSONS CONCERNED

The following Ordinance has been adopted by the Council of the City of Hurricane on April 12, 1977. The City of Hurricane contemplates the issuance of the Sewer Revenue Bonds described in this Ordinance. Any person interested may appear before the Council in the Council Chambers, in the City Building, in said City, on the 10th day of MAY, 1977, at 7:30 o'clock, P.M., E.D.S.T., as provided in this Notice, and present such protest or protests as such person or persons may deem proper. At such hearing all objections or suggestions shall be heard and the Council shall take such action as it shall deem proper in the premises.

Ordinance No. _____

Introduced in Council

APRIL 4, 1977

Passed by Council

APRIL 12, 1977

Introduced by

COUNCILMAN E.E. ALLEN

Referred to

SANITARY BOARD

1 An Ordinance supplementing an Ordinance entitled "An Ordinance
2 making provisions for the issuance of Sewer Revenue Bonds of
3 the Town of Hurricane, West Virginia, for the purpose of de-
4 fraying the cost, not otherwise provided, of constructing
5 extensions and improvements to the sewage system, setting
6 forth the terms and conditions upon which said bonds and
7 additional bonds ranking on a parity therewith are to be and
8 may be issued and outstanding, and providing for the collection,
9 segregation and distribution of income and revenues from the
10 operation of the sewage system of said town so as to pay
11 said bonds and interest thereon." adopted by Council of the
12 City of Hurricane, West Virginia, on the 8th day of March,
13 1961; authorizing the acquisition and construction of certain
14 extensions, betterments and improvements to the municipal
15 sewage system of the City of Hurricane, West Virginia, and
16 the financing of the cost thereof through the issuance by
17 the City of Hurricane of not in excess of \$465,000 in
18 principal amount of additional Sewer Revenue Bonds, Series
19 1977, to bear date April 1, 1977.

20
21 Be It Ordained by the City Council of the City of Hurricane,
22 West Virginia;

23
24 ARTICLE I

25
26 STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

27
28 Section 1.01. Authority of this Ordinance. This
29 Ordinance (herein sometimes referred to as the "1977 Supplemental
30 Ordinance") is adopted pursuant to the provisions of Article
31 13 of Chapter 16, of the Code of West Virginia of 1931, as
32 amended (the "Act"), and other applicable provisions of law,
33 and pursuant to Section 9 of an Ordinance entitled "An
34 Ordinance making provisions for the issuance of Sewer Revenue
35 Bonds of the Town of Hurricane, West Virginia, for the purpose

1 of defraying the cost, not otherwise provided; of constructing
2 extensions and improvements to the sewage system, setting
3 forth the terms and conditions upon which said bonds and
4 additional bonds ranking on a parity therewith are to be and
5 may be issued and outstanding, and providing for the collection,
6 segregation and distribution of income and revenues from the
7 operation of the sewage system of said town so as to pay
8 said bonds and interest thereon." adopted by Council of the
9 City of Hurricane on the 8th day of March, 1961, (hereinafter
10 sometimes referred to as "Original Ordinance"), and is
11 supplemental to said Original Ordinance.
12

13 Section 1.02. Findings. It is hereby found,
14 determined and declared that:
15

16 (A) The City of Hurricane (hereinafter sometimes
17 called "City") now owns and operates a sewer system (hereinafter
18 sometimes called the "Sewer System"), furnishing sewage
19 service to residences, premises, and businesses residing or
20 located within and without the area of the City, the acquisition
21 of certain improvements and betterments thereto having been
22 financed by the proceeds from One Hundred Fifty-eight Dollars
23 (\$158,000.00) in principal amount of Sewer Revenue Bonds of
24 the City dated April 1, 1961 (the "1961 Bonds") issued
25 pursuant to the Original Ordinance.
26

27 (B) The City derives revenues from the Sewer
28 System and except for the pledges thereof to secure and pay
29 the 1961 Bonds issued pursuant to the Original Ordinance now
30 outstanding in the principal amount of \$130,000.
31

32 (C) That it is deemed necessary and desirable for
33 the health, welfare and safety of the inhabitants of the
34 City of Hurricane that there be constructed certain extensions,
35 betterments and improvements to the Sewer System at an
36 estimated cost of \$465,000 in accordance with the plans and
37 specifications prepared by Donald E. Rude & Associates, Consulting
38 Engineers, South Charleston, West Virginia, (the "Consulting
39 Engineers"), which plans and specifications have heretofore
40 been filed in the office of the Recorder.
41

42 (D) The Sanitary Board of the City of Hurricane,
43 West Virginia, has filed a petition with the Council of the
44 City of Hurricane which petition requests that Council enact
45 an ordinance which should, among other things, provide for

2 the issuance of Sewer Revenue Bonds of the City of Hurricane
3 in the amount of \$465,000 to finance the cost of such extensions,
4 betterments and improvements to the Sewer System.

5 (E) Said Original Ordinance in Section 9 thereof
6 provides for the issuance of additional pari passu bonds
7 under the terms, limitations and conditions provided therein.
8

9 (F) The City is authorized to issue the Sewer
10 Revenue Bonds, Series 1977, bearing date April 1, 1977,
11 herein authorized as pari passu additional obligations both
12 within the authorization and subject to the limitations,
13 restrictions and provisions contained in Section 9 of the
14 Original Ordinance.
15

16 (G) The estimated revenues to be derived in each
17 year after the adoption of this ordinance from the operation
18 of said Sewer System will be sufficient to pay all the cost
19 of the operation and maintenance of said Sewer System, the
20 principal of and interest on the 1961 Bonds, and the principal
21 of and interest on the Sewer Revenue Bonds, Series 1977,
22 dated April 1, 1977, authorized to be issued pursuant to
23 this 1977 Supplemental Ordinance and all sinking fund,
24 reserve and other payments provided for in this 1977 Supplemental
25 Ordinance, and in the Original Ordinance.
26

27 (H) It is deemed necessary for the City of Hurricane
28 to issue its Sewer Revenue Bonds in the principal amount of
29 not in excess of \$465,000 to finance costs of the acquisition
30 and construction of the extensions, betterments and improvements
31 to the Sewer System herein described. Said cost shall be
32 deemed to include the cost of the acquisition of any real
33 property involved, the cost of the construction of said
34 extensions, betterments and improvements to the Sewer System
35 and any other expenses necessary, incidental, desirable, or
36 appurtenant to the acquisition and construction of such
37 extensions, betterments and improvements to the Sewer System,
38 interest on the bonds authorized to be issued pursuant to
39 this 1977 Supplemental Ordinance prior to, during and for
40 six months after completion of the construction herein
41 authorized, engineering and legal expenses; expenses for
42 estimates of costs and revenues; expenses for plans, specifications
43 and surveys; expenses for fiscal or other agents in connection
44 with the issuance of the bonds authorized to be issued
45 pursuant to this 1977 Supplemental Ordinance and such other

expenses as may be necessary or desirable to : d acquisition
and construction of the extensions, betterments and improvements
to the Sewer System authorized by this 1977 Supplemental
Ordinance and the financing authorized by this 1977 Supplemental
Ordinance.

(I) Prior to the issuance of the Sewer Revenue
Bonds, Series 1977, there will be filed with the Recorder of
the City a statement by Krisher & Krisher, independent
certified public accountants not in the regular employ of
the city, reciting the conclusion based upon the necessary
investigation that the net operating income and revenues of
said municipal sewer system as defined in the Original
Ordinance, adjusted to reflect the revision in the schedule
of rates authorized by the Public Service Commission of West
Virginia at the time of issuance of such Bonds and including
the amount of increased net operating income and revenues by
reason of the extensions, betterments and improvements the
cost of which is to be paid through the issuance of the
Bonds hereby authorized, to the extent contracts for the
immediate construction or acquisition of such extensions,
betterments and improvements have been entered into as of
the time of filing such statement, for a period of twelve
consecutive months which shall be within the eighteen months
immediately preceding the date of issuance of the Sewer
Revenue Bonds, Series 1977, were equal to at least 1.40
times the maximum amount that will become due in any succeeding
calendar year for both principal and interest on the 1961 Bonds
presently outstanding and the Bonds herein authorized to be
issued.

Section 1.03. Ordinance Constitutes Contract. In
consideration of the acceptance of the Sewer Revenue Bonds,
Series 1977, bearing date April 1, 1977, authorized to be
issued hereunder by those who shall hold the same from time
to time, this 1977 Supplemental Ordinance and said Original
Ordinance, shall be deemed to be and shall constitute a
contract between the City and such Bondholders, and the
covenants and agreements herein set forth to be performed by
said City shall be for herein set forth to be performed by
said City shall be for the equal benefit, protection and
security of the legal holders of any and all of such Bonds
issued hereunder, the outstanding 1961 Bonds, and the coupons
attached thereto, all of which shall be of equal rank and
without preference, priority or distinction between any one

2 bond and the coupons thereon and any other bonds and the
3 coupons thereon by reason of priority of issuance or otherwise.

4 Section 1.04 Definitions. All the definitions
5 contained in said Original Ordinance, in addition to any
6 definitions contained herein, shall apply fully to the Bonds
7 issued hereunder.

8
9
10 ARTICLE II

11 AUTHORIZATION OF ADDITIONS, EXTENSIONS
12 AND IMPROVEMENTS TO THE WATERWORKS SYSTEM
13
14

15 Section 2.01. Authorization of Additions, Extensions
16 and Improvements. There is hereby authorized the construction
17 and acquisition of extensions, betterments and improvements
18 to said Sewer System described in the plans and specifi-
19 cations prepared by the Consulting Engineers, heretofore
20 filed in the office of the Recorder (hereinafter sometimes
21 referred to as the "Project"). The proceeds of the Bonds
22 hereby authorized shall be applied as provided in Article V
23 of this Ordinance.
24

25
26 ARTICLE III

27 AUTHORIZATION, TERMS, EXECUTION
28 AND REGISTRATION OF BONDS
29
30

31 Section 3.01. Authorization and Terms of Bonds.
32 For the purpose of financing the cost of the construction
33 and acquisition of the Project there shall be issued negotiable
34 Sewer Revenue Bonds of The City of Hurricane (herein sometimes
35 called "Sewer Revenue Bonds, Series 1977"), in the aggregate
36 principal amount of up to Four Hundred Sixty-five Thousand
37 Dollars (\$465,000.00). The exact principal amount of said
38 Bonds to be issued shall be determined by resolution of the
39 City Council adopted with regard to the sale thereof. Said
40 Bonds shall be dated April 1, 1977; shall be in the denomination
41 of \$5,000 each; shall be designated "City of Hurricane, Sewer
42 Revenue Bonds, Series 1977" shall be numbered consecutively
43 in numerical order from 1 to 93, both inclusive; shall bear
44 interest at such rate or rates, not exceeding the legal
45 rate, as shall be determined upon the sale thereof; such

interest being payable semi-annually on April and October 1 in each year, commencing October 1, 1977; shall be payable as to both principal and interest at the office of the State Sinking Fund Commission of the State of West Virginia through a paying agent or agents selected by the original purchaser or purchasers thereof, in any coin or currency which is legal tender for the payment of public or private debts under the laws of the United States of America; shall be registerable as to principal only in the manner provided in Section 3 of said Original Ordinance, and shall mature serially in numerical order, lowest numbers first on April 1 of each year as follows:

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
1980	\$5,000	1997	10,000
1981	5,000	1998	10,000
1982	5,000	1999	10,000
1983	5,000	2000	10,000
1984	5,000	2001	10,000
1985	5,000	2002	20,000
1986	5,000	2003	20,000
1987	5,000	2004	25,000
1988	5,000	2005	25,000
1989	5,000	2006	30,000
1990	5,000	2007	30,000
1991	5,000	2008	30,000
1992	5,000	2009	35,000
1993	5,000	2010	35,000
1994	5,000	2011	40,000
1995	5,000	2012	40,000
1996	5,000		

The Bonds maturing in the year 1988 and thereafter shall be callable prior to maturity at the option of the City of Hurricane in whole or in part, in inverse numerical order if less than all, on April 1, 1987, or on any interest payment date thereafter, at the price of the par value thereof and accrued interest to the date of redemption plus a premium of one-half of one per centum (1/2 of 1%) of the par value of any Bond redemption to the stated date of maturity of any Bond so redeemed, provided, however, that such premium in no event shall exceed three percent (3%) of the par value thereof; provided, however, that a notice of such intended redemption shall be published at least once not less than

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thirty days prior to the date of redemption in a financial
paper published in the City of New York. Interest shall
cease upon any Bonds called for redemption on the redemption
date provided that payment thereof has been duly made or
provided for.

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Section 3.02. Form of Bonds and Coupons. The
text of the Sewer Revenue Bonds, Series 1977, and of the
coupons shall be of substantially the following tenor, with
such omissions, insertions and variations as may be necessary
and desirable and authorized or permitted by this 1977 Sup-
plemental Ordinance, or any subsequent resolution or ordinance
adopted prior to the issuance thereof. Said Bonds shall be
executed in the manner provided in said Original Ordinance.

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22
UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
COUNTY OF PUTNAM
CITY OF HURRICANE
SEWER REVENUE BOND, SERIES 1977

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KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF
HURRICANE, a municipal corporation, organized and existing
under the laws of the State of West Virginia, for value
received, hereby promises to pay, solely from the special
funds provided therefor, as hereinafter set forth, to the
bearer or, if this bond be registered as to principal to the
registered holder thereof, on the first day of April, _____,
the sum of Five Thousand Dollars (\$5,000.00) and solely from
such special funds also to pay interest on said sum from the
date hereof at the rate of _____ per centum
(____%) per annum semi-annually, on the first day of April
and the first day of October in each year beginning October
1, 1977, except as the provisions hereinafter set forth as
to redemption may become applicable hereto, all such interest
as may accrue on and prior to the maturity date hereof to be
payable only upon presentation and surrender of the annexed
coupons as they severally become due, both principal of, and
interest on, this bond being payable in any coin or currency
which, on the respective dates of payment of principal and
interest, 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 State Sinking Fund Commission, Charleston,
West Virginia, or at the option of the holder at _____
_____.

2 This Bond is one of an authorized issue of Bonds
3 in the aggregate principal amount of not in excess of Four
4 Hundred Sixty-five Thousand Dollars (\$465,000.00) of like
5 date and of like tenor and effect, except as to number,
6 interest rate and date of maturity, issued to finance the
7 cost of acquisition and construction of certain additions,
8 betterments and improvements to the municipal Sewer System
9 (the "Sewer System") of the City of Hurricane, West Virginia,
10 under the authority of and in full compliance with the
11 Constitution and statutes of the State of West Virginia,
12 including particularly, Article 13 of Chapter 16 of the Code
13 of West Virginia, 1931, as amended (hereinafter referred to
14 as "Act"), and an Ordinance duly adopted by the Council of
15 the City of Hurricane on the _____ day of _____,
16 1977, (hereinafter referred to as the "1977 Supplemental
17 Ordinance"), supplementing an ordinance adopted by said
18 Council on March 8, 1961, (hereinafter referred to as "Original
19 Ordinance"), (The said Original Ordinance together with the
20 said 1977 Supplemental Ordinance all being hereinafter
21 referred to collectively as the "Ordinance"), and subject to
22 all the terms and conditions of said Ordinance.

23 The Bonds maturing in the year 1988 and thereafter
24 shall be callable prior to maturity at the option of the
25 City of Hurricane, in whole or in part, in inverse numerical
26 order if less than all, on April 1, 1987, or on any interest
27 payment date thereafter, at the price of the par value
28 thereof and accrued interest to the date of redemption plus
29 a premium one-half of one per centum (1/2 of 1%) of the par
30 value of any Bond so redeemed for each year or fraction thereof
31 from the date of redemption to the stated date of maturity
32 of any Bond so redeemed, provided, however, that such premium
33 in no event shall exceed three percent (3%) of the par value
34 thereof; provided, however, that a notice of such intended
35 redemption shall be published at least once not less than
36 thirty days prior to the date of redemption in a financial
37 paper published in the City of New York. Interest shall
38 cease upon any Bonds called for redemption on the redemption
39 date provided that payment thereof has been duly made or
40 provided for.

41 This bond and all other bonds of the issue of
42 which this Bond is one are payable only from and secured by
43 the net revenues to be derived from the operation of the
44 Sewer System of the City which net revenues shall be sufficient
45

2 may be issued for the construction, acquisition, improvement,
3 extension or betterment of such Sewer System as and when the
4 same become due and payable, and which shall be set aside as
5 a special fund hereby pledged for such purpose. This bond
6 does not constitute a corporate indebtedness of the City of
7 Hurricane within the meaning of any constitutional or statutory
8 provisions or limitations, nor shall said City be obligated
9 to pay the same or the interest thereon except from said
10 special fund provided from the revenues from the operation
11 of said Sewer System. The City in said Ordinance has covenanted
12 and agreed to fix and establish and maintain such rates and
13 collect such charges for the services and facilities of said
14 Sewer System, and to revise the same from time to time
15 whenever necessary, as will always provide revenues sufficient
16 to provide for operation and maintenance of the Sewer System
17 and leave a balance each year equal to at least 130% of the
18 amount required during such year to pay the interest as the
19 same becomes due and accomplish retirement of all Bonds for
20 the payment of which such revenues have been pledged, charged
21 or otherwise encumbered.

22
23 This bond is one of an issue of not in excess of
24 Four Hundred Sixty-five Thousand Dollars (\$465,000.00), par
25 value, issued on a parity, and ranking equally as to source
26 of payment, security and in all other respects with \$130,000
27 par value of Sewer Revenue Bonds of the City of Hurricane issued
28 under the Original Ordinance and outstanding as of the date
29 of issuance hereof, without preference or distinction between
30 any one bond and any other bond by reason of priority of
31 issuance or otherwise, but additional pari passu bonds may
32 be issued upon compliance with certain terms and conditions
33 more fully set forth in the Ordinance authorizing the issuance
34 of said revenue bonds, for the terms of which reference is
35 here made to said Ordinance.

36
37 This bond is fully negotiable but may be registered
38 as to principal only in the name of the holder on the books
39 in the office of the Recorder of the City of Hurricane such
40 registration to be evidenced by notation on the back hereof
41 by the Recorder, after which no transfer shall be valid
42 unless made on said books and similarly noted hereon, but it
43 may be discharged from such registration by being transferred
44 to bearer after which it shall be transferable by delivery,
45 but it may be registered again as before. The registration

1 of this bond as to principal shall not restrain the negotiability
2 of the coupons be delivery merely. This bond and the coupons
3 appertaining hereto, is and has all the qualities of a
4 netotiable instrument under the laws of the State of West
5 Virginia.

6
7 All moneys received from the sale of this bond or
8 other bonds of the issue of which this bond is one, after
9 reimbursement and repayment of all amounts advanced for
10 preliminary expenses as provided by law, shall be applied
11 solely to the payment of the cost of extensions, betterments
12 and improvements described in the 1977 Supplemental Ordinance,
13 including payment of any indebtedness incurred by the City
14 of Hurricane for such purposes which is required to be paid
15 from the moneys received from the sale of such bonds, or to
16 the appurtenant sinking fund and there shall be and hereby
17 is created and granted a lien upon such moneys, until so
18 applied, in favor of the holder or holders of said bonds.

19
20 IT IS HEREBY CERTIFIED, RECITED AND DECLARED that
21 all acts, conditions and things required to exist, happen
22 and be performed precedent to and in the issuance of this
23 bond, have existed, have happened, and have been performed
24 in due time, form and manner as required by law, and that
25 the amount of this bond, together with all other obligations
26 of said City does not exceed any limit prescribed by the
27 Constitution or statutes of the State of West Virginia, and
28 that a sufficient amount of the revenues of the Sewer System
29 of the City of Hurricane has been pledged to and will be set
30 aside into said special fund by said City for the prompt pay-
31 ment of the principal and interest on this bond and the bonds
32 of the issue of which it is one.

33
34 All provisions of the ordinances and statutes
35 under which this bond is issued shall be deemed to be a part
36 of the contract evidenced by this bond to the same extent as
37 if written fully herein.

38
39 IN WITNESS WHEREOF, the said City of Hurricane has
40 caused this bond to be signed by its Mayor, attested by its
1 City Recorder and its corporate seal to be hereunto affixed,
2 and the coupons hereto attached to be executed with the
3 facsimile signatures of said Mayor and City Recorder, which
4 officials by the execution of this bond do adopt as their
5 own property signatures their facsimile signatures appearing

1 on said coupons, all as of the 1st day of April 1977.
2
3
4

5 _____
6 Mayor

7 ATTEST:
8
9

10 _____
11 City Recorder

12 (FORM OF COUPON)

13
14
15 No.

16 \$ _____
17

18 On the _____ day of _____, 19____, (unless the Bond
19 hereinafter mentioned shall have been duly called for prior
20 redemption and payment of the redemption price has been duly
21 made as provided for),* the City of Hurricane West Virginia
22 will pay to bearer upon presentation of and surrender of
23 this coupon the sum of _____ Dollars (\$ _____),
24 out of the special fund provided therefor, at the office of
25 the State Sinking Fund Commission or at the _____
26 at the option of the holder hereof, said payment is legal
27 tender for the payment of public and private debts under the
28 laws of the United States of America, as provided in, and
29 for interest then due, on the Sewer Revenue Bond, Series
30 1977, dated April 1, 1977, to which this coupon is attached.
31
32

33 _____
34 Mayor

35 _____
36 City Recorder

37
38 (No writing on this bond except by the Recorder
39 of the City of Hurricane, West Virginia, as Registrar)
40

41 Date of
42 Registration

43 In Whose Name
44 Registered

45 Signature of
46 Registrar

ARTICLE IV

SECURITY OF BONDS

Section 4.01. Bonds on Parity with Other Pari Passu Revenue Bonds. The Bonds issued pursuant to this ordinance shall be on a parity and rank equally as to source of payment, security and in all other respects with the outstanding 1961 Bonds, and with any additional pari passu obligations hereafter issued pursuant to and within the terms, limitations and conditions contained in Section 9 of said Original Ordinance, and in this ordinance.

Section 4.02 Bonds Secured by Original Ordinance. The Bonds authorized by this ordinance shall be deemed to have been issued pursuant to said Original Ordinance (to which this 1977 Supplemental Ordinance is supplemental) as fully and to the same extent as the 1961 Bonds and all of the covenants and agreements contained in said Original Ordinance shall be deemed to have been made for the benefit of the holders of the Bonds issued pursuant to this ordinance, and of any pari passu additional obligations heretofore or hereafter issued within the terms, conditions and limitations contained in Section 9 of said Original Ordinance, as fully and to the same extent as for the holders of said outstanding 1961 Bonds.

The Sewer Revenue Fund, the Sewer Revenue Bond Interest and Sinking Fund, the Operation and Maintenance Fund and the Depreciation Fund created and established pursuant to said Original Ordinance shall be maintained as long as any of the Bonds issued pursuant to this 1977 Supplemental Ordinance, or interest thereon, are outstanding and unpaid, and it is hereby determined and agreed that from and after the delivery of any of the Bonds hereby authorized there shall be set aside and paid into said sinking fund on or before the tenth day of each month out of the revenues of said system an amount equal to at least (1) one-fifth of the amount of interest becoming due on the 1961 Bonds and the bonds hereby authorized on the next succeeding interest

1 payment date plus (2) one-tenth of the amount of principal
2 of the 1961 Bonds, and the bonds hereby authorized becoming
3 due during the next succeeding twelve months, provided that
4 when there shall have been accumulated and maintained in
5 said sinking fund sufficient moneys to pay the amount of
6 interest and principal becoming due on all of said bonds
7 during the next succeeding twenty-four (24) months then the
8 amount to be so set aside and paid into said sinking fund
9 may be reduced to one-sixth of the amount of interest and
10 one-twelfth of the amount of principal respectively; computations
11 for such payments into said sinking fund shall be made as of
12 April 1 of each year. No further payments need be made into
13 said sinking fund after and so long as such amount then held
14 in said sinking fund is equal to the entire amount required
15 for retirement at maturity of all of such bonds and to pay
16 all interest that will have accrued and become due at the
17 time of such retirement of maturity. No preference, priority
18 or distinction of any kind shall exist or be exercised in
19 payments from said Sinking Fund between the outstanding
20 Bonds, and the Bonds issued pursuant to this 1977 Supplemental
21 Ordinance, and any pari passu additional obligations hereafter
22 issued pursuant to the terms, limitations and conditions
23 contained in said Original Ordinance.

24 25 ARTICLE V

26 27 APPLICATION OF BOND PROCEEDS

28
29
30 Section 5.01. Construction Trust Fund. From the
31 moneys received from the sale of any or all of the Sewer Revenue
32 Bonds, Series 1977, authorized and issued pursuant to this
33 1977 Supplemental Ordinance, the following amounts shall be
34 first deducted and deposited as follows:

35
36 (A) All accrued interest received from the purchaser
37 of said Sewer Revenue Bonds, Series 1977, shall be deposited
38 in the Sinking Fund and used to pay the next maturing interest
39 on the Sewer Revenue Bonds, Series 1977.

40
41 (B) The remaining moneys derived from the sale of
42 said Sewer Revenue Bonds, Series 1977, shall be deposited by
43 the City in a special bank account in a fund to be known as
44 the "Construction Trust Fund", which is hereby created,
45 which fund shall be kept separate and apart from all other

1 funds of the City, and shall be drawn out, used and applied
2 by the Sanitary Board of the City solely for the payments of
3 the cost of the construction and acquisition of said Project,
4 and purposes incidental thereto, and for no other purposes
5 whatsoever. The moneys in said fund shall be secured at all
6 times by the deposit by such bonds in direct obligation of
7 the United States of America having a fair market value at
8 least equal to the balance in said fund in excess of \$100,000.
9 If for any reason such proceeds, or any part thereof, are
10 not necessary for, or are not applied to, such purposes,
11 then such unapplied proceeds shall be deposited by the City
12 in the Sinking Fund established pursuant to the Original
13 Ordinance, and shall be used only as provided therein. All
14 such proceeds shall be and constitute a trust fund for such
15 purposes and there is hereby created a lien upon such moneys
16 until so applied, in favor of the holders of the Sewer Revenue
17 Bonds, Series 1977, herein authorized.

18
19 Expenditures or disbursements from said Construction
20 Trust Fund, except for legal, fiscal and engineering expenses
21 and expenses in connection with the issuance and sale of the
22 Sewer Revenue Bonds, Series 1977, shall be made only
23 after such expenditures or disbursements shall have been
24 approved in writing by the Consulting Engineer.

25 26 27 ARTICLE VI

28 29 ADDITIONAL COVENANTS OF THE CITY

30
31
32 Section 6.01. Issuance of Additional Obligations Payable
33 From Sewer Revenues. The City covenants that it will not
34 issue any obligations hereafter payable from the revenues of
35 said Sewer System having a lien on said revenues prior or
36 superior to the lien thereon of the holders of Bonds issued
37 hereunder; or being on a parity and ranking equally with the
38 lien of the holders of Bonds issued hereunder on such revenues,
39 except pari passu additional obligations issued within the
40 terms, limitations and conditions contained in Section 9
1 of said Original Ordinance; and that any obligations hereafter
2 issued payable from the revenues of said Sewer System,
3 except such pari passu additional obligations hereafter
4 issued as aforesaid, shall contain an express statement that
5 such obligations are junior, inferior and subordinate, as to

1 which would cause any such Bond to be an "arbitrage bond" as
2 defined in Section 103(d)(2) of the Internal Revenue Code
3 and the Mayor of the City shall deliver his certificate,
4 based upon this covenant, with regard thereto to the original
5 purchaser or purchasers of the Sewer Revenue Bonds, Series
6 1977.
7

8 Section 6.04. Investment of Funds. Pending the
9 application of moneys in any fund or funds established by or
10 pursuant to this 1977 Supplemental Ordinance to the purposes
11 thereof, the moneys therein shall be invested and reinvested,
12 as the City Council of the City of Hurricane shall direct by
13 resolution or ordinance which may be general, or specific as
14 to one or more investments or reinvestments, in direct
15 obligations of the United States of America, or time deposits
16 secured by direct obligations of the United States of America,
17 having a maturity date or dates not later than the estimated
18 time when the invested moneys will be needed for the purposes
19 thereof as determined by the Council or any person designated
20 by the Council to make such determination.
21

22 Section 6.05. Minimum Rates. So long as any of
23 the Sewer Revenue Bonds, Series 1977, shall remain out-
24 standing and unpaid the rates, fees or other charges for the
25 services of the Sewer System in effect as of the date of
26 issuance of such Bonds shall be the minimum monthly rates to
27 be charged for services rendered by the Sewer System.
28

29 The schedule of rates and charges shall at all times
30 be adequate to produce gross revenues from said Sewer System
31 to make the required payments into the Operation and Mainte-
32 nance Fund and leave a balance of net revenues sufficient to
33 make the prescribed payments into the Sinking Fund and Depre-
34 ciation Fund as provided in the Original Ordinance and this
35 1977 Supplemental Ordinance. Such schedule of rates and
36 charges shall be changed and readjusted whenever necessary
37 so that the aggregate of the rates and charges will be suffi-
38 cient for such purposes. Notwithstanding any other provision
39 hereof, in order to assure full and continuous performance
40 of this covenant with a margin for contingencies and temporary
41 unanticipated reduction in income and revenues, the City
42 hereby covenants and agrees that the schedule of rates or
43 charges from time to time in effect shall be sufficient to
44 provide for all required payments into the Operation and
45 Maintenance Fund and leave a balance each year equal to at

1. least 130% of the amount required during such year to pay
2. the interest as the same becomes due and accomplish retirement
3. of all Bonds for the payment of which such revenues have been
4. pledged, charged or otherwise encumbered.
5.

6. Section 6.06. Services Rendered to the City. The
7. City will not render or cause to be rendered any free services
8. of any nature by its Sewer System, nor will any preferential
9. rates be established for users of the same class; and in the
10. event the City or any department, agency, instrumentality,
11. officer or employee of the City shall avail itself or themselves
12. of the facilities or services provided by the Sewer
13. System or any part thereof, the same rates, fees or charges
14. applicable to other customers receiving like services under
15. similar circumstances shall be charged the City and any such
16. department, agency, instrumentality, officer or employee.
17. Such charges shall be paid as they accrue, and the City
18. shall transfer from its general funds sufficient sums to pay
19. such charges for service to any of its departments or properties.
20. The revenues so received shall be deemed to be revenues
21. derived from the operation of the Sewer System, and shall be
22. deposited and accounted for in the same manner as other
23. revenues derived from such operation of the Sewer System.
24.

25. Section 6.07. Operating Budget. The Sanitary Board
26. of the City of Hurricane shall annually, at least forty-five
27. days preceding the beginning of each Fiscal Year, prepare
28. and adopt by resolution a detailed budget of the estimated
29. expenditures for operation and maintenance of the Sewer
30. System during the succeeding Fiscal Year. No expenditures
31. for the operation and maintenance of the Sewer System shall
32. be made in any Fiscal Year in excess of the amounts provided
33. therefor in such budget without a written finding and recommendation
34. by the Consulting Engineers, which finding and recommendation
35. shall state in detail the purpose of and necessity for such
36. increased expenditures for the operation and maintenance of
37. the Sewer System, and no such increased expenditures shall
38. be made until the Council of the City of Hurricane shall
39. have approved such finding and recommendation by a resolution
40. duly adopted. No increased expenditures in excess of ten
41. per centum of the amount of such budget shall be made except
42. upon the further certificate of the Consulting Engineers
43. that such increased expenditures are necessary for the
44. continued operation of the Sewer System. The City shall
45. mail copies of such annual budget and all resolutions
authorizing increased expenditures for operation and mainten-

1. ance to any Bondholder who shall file his address with the
2. City and request in writing that copies of all such budgets
3. and resolutions be furnished him, and shall make available
4. such budgets and all resolutions authorizing increased
5. expenditures for operation and maintenance of the Sewer System
6. at all reasonable times to any Bondholder or anyone acting
7. for and in behalf of such Bondholder.
8.

9. Section 6.08. Enforcement of Collections. The
10. City will diligently enforce and collect all fees, rentals
11. or other charges for the services and facilities of the
12. Sewer System, and take all steps, actions and proceedings
13. for the enforcement and collection of such fees, rentals or
14. other charges which shall become delinquent to the full
15. extent permitted or authorized by the Act, the Charter of
16. the City and other laws of the State of West Virginia.
17.

18. The City further covenants and agrees that it
19. will, to the full extent permitted by law, under reasonable
20. rules and regulations, discontinue and shut off the services
21. and facilities of the waterworks system serving the City of
22. Hurricane for nonpayment of the fees, rentals or other charges
23. for the services and facilities of the Sewer System, and will
24. not restore the services of such System until all delinquent
25. charges for the services and facilities of all parts of the
26. Sewer System, plus reasonable penalties and charges for the
27. restoration of service, have been fully paid.
28.

29. Section 6.09. No Competing Franchise. The City
30. will not grant or cause, consent to or allow the granting
31. of, any franchise or permit to any person, firm, corporation
32. or body, or agency or instrumentality whatsoever for the
33. providing of any services which would compete with services
34. provided by the Sewer System.
35.

36. Section 6.10. Mandatory Connections. The mandatory
37. use of the sewer facilities of the Sewer System is essential
38. and necessary for the protection and preservation of the public
39. health, comfort, safety, convenience and welfare and the economy
40. of the inhabitants of the City and in order to assure the ren-
41. dering harmless of sewage and water-borne waste matter produced
42. or arising within the territory served by the sewer facilities.
43. Accordingly, every owner, tenant and occupant of every lot,
44. parcel and tract of land which abuts on a street, alley or
45. other public way in which any sewer line, main or facility is

1 located, or which is located within a reasonable distance thereof,
2 not exceeding 300 feet, and reasonably accessible thereto, and
3 upon which lot, parcel or tract a building or other habitable
4 structure has been or shall be erected for residential, commercial
5 or industrial use, shall connect the waste or sewage lines of such
6 building or structure with the sewer facilities of the Sewer System
7 immediately upon completion of the Project if sewage will flow by
8 gravity from such building or structure into the sewer facilities
9 of the Sewer System, and shall thereupon and thereafter refrain
10 from using and shall cease to use any other method for the disposal
11 of sewage or water-borne waste matter and shall pay all charges,
12 fees and rates lawfully provided for use of the sewer facilities.
13

14
15 Any such building or structure from which emanates
16 sewage or water-borne waste matter and not so connected with the
17 Sewer System is hereby declared and found to be a hazard to the
18 health, safety, comfort and welfare of the inhabitants of the City
19 and a public nuisance which shall be abated to the extent permitted
20 by law and as promptly as possible by proceedings in a court of
21 competent jurisdiction.

22
23 Section 6.11. Insurance. The City will carry such
24 insurance as is customarily carried with respect to works and
25 properties similar to the Sewer System, with a reputable insurance
26 carrier or carriers against loss or damage by fire, explosion,
27 hurricane, earthquake, cyclone, occupancy or other hazards and
28 risks, which insurance shall at all times be in an amount or
29 amounts equal to the fair appraisal value of the buildings, proper-
30 ties, furniture, fixtures and equipment of the Sewer System. In
31 time of war, the City shall also carry in said amount such in-
32 surance as may be available against loss or damage by risks and
33 hazards of war. The proceeds of all such insurance policies
34 shall be placed in the Depreciation Fund and used only for the
35 repair and restoration of the damaged or destroyed properties
36 or for the other purposes provided herein for said Depreciation
37 Fund. The City will also carry liability insurance for damage
38 or injury to persons or property in amounts adequate for such
39 purposes and customarily carried with respect to works and proper-
40 ties similar to the Sewer System.

41 ARTICLE VII

42 MISCELLANEOUS

43 Section 7.01. Modification or Amendment. No

1 material modification or amendment of this 1977 Supplemental
2 Ordinance or of a ordinance or resolution mandatory
3 hereof or supplemental hereto which would materially and
4 adversely affect the rights of bondholders shall be made
5 without the consent in writing of the holders of two-thirds
6 or more in principal amount of the bonds then outstanding;
7 provided, however, that no change shall be made in the
8 maturity of any bond or bonds or the rate of interest thereon,
9 or in the principal amount thereof, or affecting the unconditional
10 promise of the City to pay such principal and interest out
11 of the revenues of the Sewer System without the consent of
12 the holder thereof. No amendment or modification shall be
13 made which would reduce the percentage of the principal
14 amount of bonds required for consent to the above permitted
15 amendments or modifications.
16

17 Section 7.02. Severability of Invalid Provisions.

18 If any section, paragraph, clause or provision of this
19 ordinance shall be held invalid, such invalidity shall not
20 affect any of the remaining provisions of this ordinance.
21

22 Section 7.03 Publication of Ordinance. The City Recorder

23 is hereby authorized and directed to publish this Ordinance as a
24 Class II legal advertisement in compliance with the provisions of
25 Article 3 of Chapter 59 of the Code of West Virginia, 1931, as amended,
26 in the Hurricane Breeze, a newspaper of general circulation in the
27 City of Hurricane, with a notice to all persons concerned stating
28 that this Ordinance has been adopted, and that the City of Hurricane
29 contemplates the issuance of the Sewer Revenue Bonds described in
30 this Ordinance, and that any person interested may appear before
31 the Council, in the Council chamber in the City Building in said
32 City on the 10th day of MAY, 1977, at 7:30 p.m. EDST, as
33 provided in said notice, and present such protest or protests as to
34 such person or persons may seem proper. The last date of the
35 successive publications aforesaid shall be at least ten (10) days
36 prior to said date for the hearing of protests.
37

38 At such hearing the objections and suggestions shall be
39 heard and the City Council shall take such action as it shall deem proper
40 in the premises; provided, that if at such hearing written protest is
41 filed by thirty per cent (30%) or more of the owners of real estate
42 in said City, then the Council shall not take further action unless
43 four-fifths of the qualified members thereof assent thereto.
44

45 Section 7.04. Sale of Bonds. The Sewer Revenue

1 Bonds, Series 1977, shall be offered for sale in such manner
2 at such time and under such conditions as shall be hereafter
3 determined by resolution of the Council of the City of
4 Hurricane to be in the best interest of the City, provided
5 that said Bonds shall not be negotiated at a price lower
6 than a price which when computed to maturity upon standard
7 tables of bond values will show a net return of more than 8%
8 per annum to the purchaser upon the amount paid therefor.
9

10 Section 7.05. Repeal of Conflicting Ordinances.

11 All ordinances, resolutions and orders, or parts thereof, in
12 conflict with this 1977 Supplemental Ordinance are to the
13 extent of such conflict repealed.
14

15 Section 7.06. Representation of Due Procedure, Etc.

16 The City represents that all acts, conditions, things and pro-
17 cedures required to exist, to happen, to be performed or to
18 be taken precedent to and in the final enactment and passage
19 of this Ordinance do exist, have happened, have been performed
20 and have been taken in regular and due time, form and manner
21 as required by and in full compliance with the laws and Con-
22 stitution of the State of West Virginia applicable thereto; and
23 that the Mayor, the Recorder and the members of Council of the
24 City were at all times when any actions in connection with
25 this Ordinance occurred and are duly in office and duly qualified
26 for such office.
27

28 Section 7.07. Defeasance. If the City shall pay or
29 cause to be paid, or there shall otherwise be paid, to the
30 holders of all Bonds issued hereunder and coupons the principal
31 of, and redemption premium, if applicable, and interest due or
32 to become due thereon, at the times and in the manner stipulated
33 therein and in the Ordinance, then the pledge of any revenues,
34 and other moneys and securities pledged under the Ordinance and
35 all covenants, agreements and other obligations of the City to
36 such Bondholders, shall thereupon cease, terminate and become
37 void and be discharged and satisfied.
38

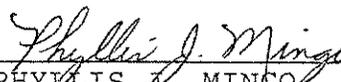
39 Bonds or coupons or interest installments for the
40 payment or redemption of which moneys shall have been set aside
41 and shall be held in trust by the Paying Agent (through deposit
42 by the City for such payment or redemption or otherwise) at
43 the maturity or redemption date thereof shall be deemed to have
44 been paid within the meaning and with the effect expressed in
45 the first paragraph of this section. All Bonds issued hereunder
46

1 and all coupons appertaining to such Bonds shall prior to the
2 maturity or redemption date thereof be deemed to have been
3 paid within the meaning and with the effect expressed in
4 the first paragraph of this section if (a) in case any of said
5 Bonds are to be redeemed on any date prior to their maturity
6 if they shall have given to the Sinking Fund Commission in
7 form satisfactory to it irrevocable instructions to publish
8 as provided herein notice of redemption of such Bonds on said
9 date, (b) there shall have been deposited with the Sinking
10 Fund Commission either moneys in an amount which shall be
11 sufficient, or securities the principal of and the interest
12 on which when due will provide moneys which, together with the
13 moneys, if any, deposited with the Sinking Fund Commission at
14 the same time, shall be sufficient, to pay when due the principal
15 of and redemption premium, if applicable, and interest due and
16 to become due on said Bonds on and prior to the redemption date
17 or maturity date thereof, as the case may be, and (c) in the
18 event said Bonds are not by their terms subject to redemption
19 with the next succeeding sixty (60) days, the City shall have
20 given the Sinking Fund Commission in form satisfactory to it
21 irrevocable instructions to publish, as soon as practicable,
22 a notice to the holders of such Bonds and coupons that the
23 deposit required by (b) above has been made with the Sinking
24 Fund Commission and that said Bonds and coupons are deemed to
25 have been paid in accordance with this section and stating
26 such maturity or redemption date upon which moneys are to be
27 available for the payment of the principal of and redemption
28 premium, if applicable, on said Bonds. Neither securities
29 nor moneys deposited with the Sinking Fund Commission pursuant
30 to this section nor principal or interest payments on any
31 such securities shall be withdrawn or used for any purpose
32 other than and shall be held in trust for, the payment of
33 the principal of and redemption premium, if applicable, and
34 interest on said Bonds; provided that any cash received from
35 such principal or interest payments on such securities deposited
36 with the Sinking Fund Commission, if not then needed for such
37 purpose, shall, to the extent practicable, be reinvested in
38 securities maturing at times and in amounts sufficient to pay
39 when due the principal of and redemption premium, if applicable,
40 and interest to become due on said Bonds on and prior to such
41 redemption date or maturity date thereof, as the case may be,
42 and interest earned from such reinvestments shall be paid over
43 to the City, as received by the Sinking Fund Commission, free
44 and clear of any trust, lien or pledge. For the purposes of
45 this section, securities shall mean and include only obligations
of, or obligations guaranteed by the United States of America.

STATE OF WEST VIRGINIA,

COUNTY OF PUTNAM, To-wit:

I, PHYLLIS J. MINGO, being the RECORDER of the City of Hurricane, West Virginia, since July 1, 1977, do hereby certify that the attached is a true and accurate copy of the original which is on file in my office.



PHYLLIS J. MINGO
CITY RECORDER

Resolution No.

Introduced in Council

July 18, 1977

Introduced by

Hugh Kinder

Passed by Council

July 18, 1977

Referred to

Resolution No. _____ "Providing for the sale of the City of Hurricane Sewer Revenue Bonds, Series 1977; authorizing the execution of a purchase contract with regard thereto, establishing the principal amount of such Bonds to be sold, establishing the interest rate on the various maturities, and providing for the time and place of delivery of such Bonds."

WHEREAS, the Council of the City of Hurricane, on April 4, 1977, passed Ordinance No. 2 (the "Ordinance") pertaining to the issuance of Sewer Revenue Bonds, Series 1977, of the City (the "Bonds"), which Ordinance required that the City take further action with regard to the sale of such Bonds and the establishment of the principal amount of and the interest rates on the Bonds; and

WHEREAS, Young Moore & Company, Inc., of Charleston, West Virginia, (the "Purchaser"), has offered to purchase the Bonds pursuant to the terms of an agreement to be entered into by and between the Purchaser and the City (the "Purchase Contract"), the acceptance of which offer and the execution of the said Purchase Contract are deemed to be in the best interest of the City; THEREFORE, be it

Resolved by the Council of the City of Hurricane, West Virginia;

(1) That it is hereby found and determined that Krisher & Krisher, independent certified public accountants, have filed with the Recorder of the City the statement responsive to the conditions contained in Section 1.02(I) of the Ordinance.

(2) That it is hereby found and determined that the sale of the Bonds to Young Moore & Company, Inc. at the

time, and upon the terms and conditions described herein and in the Purchase Contract, a copy of which is attached to this Resolution as Exhibit A, is in the best interest of the City.

(3) That the terms of the Purchase Contract are hereby accepted and approved. The Mayor and Recorder are hereby authorized and directed to execute, acknowledge and deliver the Purchase Contract to the Purchaser.

(4) That after due consideration and review of all the facts and circumstances, the City has determined to sell the Bonds, in the principal amount of \$465,000.00 to Young Moore & Company, Inc. for a purchase price of \$444,075.00, plus accrued interest from April 1, 1977, to the date of delivery of the Bonds, and that the check of the Purchaser in the amount of \$4,650.00 shall be retained and held by the City of Hurricane as security for the performance of the Purchaser's obligations under the Purchase Contract and the proceeds thereof shall be held and disposed in accordance with the terms of the Purchase Contract.

(5) That bond counsel shall proceed to have the Bonds printed and that the Mayor and Recorder of the City be, and hereby are authorized and directed, to execute the Bonds in accordance with the Ordinance and to execute, acknowledge and deliver all the documents necessary to consummate the sale of said Bonds.

(6) That the following provisions shall apply with respect to the Bonds:

(a) The Bonds shall be in the principal amount of \$465,000.00.

(b) The Bonds shall mature as set forth in the Ordinance and shall bear interest at the rate of six and one-half percent per annum.

(c) The Bonds shall be executed by the facsimile signature of the Recorder and the manual signature of the Mayor and shall have the seal of the City imprinted or impressed thereon. The interest coupons shall be executed by the facsimile signatures of the Mayor and Recorder.

(d) That the New York paying agent for the Bonds shall be the Chemical Bank.

(7) That the Bonds shall be delivered to Young Moore & Company, Inc. on or About August 5, 1977, at Charleston, West Virginia, against payment made therefor in immediately available funds.

(8) This Resolution shall take effect immediately.

YOUNG MOORE & COMPANY, INC.

State and Municipal Bonds

1803 KANAWHA VALLEY BUILDING

CHARLESTON, WEST VIRGINIA 25301

(304) 342-0157

July 18, 1977

CONTRACT OF PURCHASE

Mayor and City Council
City of Hurricane
City Hall
Hurricane, West Virginia

Re: \$465,000 CITY OF HURRICANE, WEST VIRGINIA
SEWER REVENUE BONDS, SERIES 1977

Gentlemen:

In accordance with the terms of the UNDERWRITING AGREEMENT entered into on March 10, 1975, by and between the CITY OF HURRICANE, WEST VIRGINIA (the "city") and YOUNG MOORE & COMPANY, INC. ("Young Moore" or the "Underwriter"), and subject to the provisions and conditions hereafter enumerated, we offer to enter into this Contract of Purchase (the "Contract") with you for the purchase by us of all of the \$465,000 City of Hurricane, West Virginia Sewer Revenue Bonds, Series 1977, (the "Bonds") at a price of \$444,075 plus accrued interest from April 1, 1977 to the date of delivery to us (the "Closing") maturing in the amounts and years and bearing interest at the respective rates set opposite such years and amounts in the following table:

<u>Year of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
1980	\$5,000	6 1/2%	1997	\$10,000	6 1/2%
1981	5,000	6 1/2%	1998	10,000	6 1/2%
1982	5,000	6 1/2%	1999	10,000	6 1/2%
1983	5,000	6 1/2%	2000	10,000	6 1/2%
1984	5,000	6 1/2%	2001	10,000	6 1/2%
1985	5,000	6 1/2%	2002	20,000	6 1/2%
1986	5,000	6 1/2%	2003	20,000	6 1/2%
1987	5,000	6 1/2%	2004	25,000	6 1/2%
1988	5,000	6 1/2%	2005	25,000	6 1/2%
1989	5,000	6 1/2%	2006	30,000	6 1/2%
1990	5,000	6 1/2%	2007	30,000	6 1/2%
1991	5,000	6 1/2%	2008	30,000	6 1/2%
1992	5,000	6 1/2%	2009	35,000	6 1/2%
1993	5,000	6 1/2%	2010	35,000	6 1/2%
1994	5,000	6 1/2%	2011	40,000	6 1/2%
1995	5,000	6 1/2%	2012	40,000	6 1/2%
1996	5,000	6 1/2%			

This offer, made on behalf of Young Moore & Company, Inc. and any other investment banker(s) which we may invite to participate as an underwriter is subject to the following conditions:

- 1) The Bonds shall be as described in and shall be issued under the provisions of an ordinance of the city adopted March 8, 1961 authorizing the issuance of \$158,000 Sewer Revenue Bonds of the City, dated April 1, 1961; as supplemented by an ordinance of the City relating to the authorization of the issuance of the Bonds, adopted April 12, 1977 (herein collectively called the "Ordinances").
- 2) We are to receive, in Charleston, or other mutually agreeable location, the properly executed Bonds with Cusip numbers imprinted thereon, the unqualified approving opinion of Messrs. Jackson, Kelly, Holt & O'Farrell, Bond Counsel,

Charleston, West Virginia in the customary form, and the customary closing papers including by way of illustration and not limitation, signature and no-litigation certificates. Such delivery shall be made at a place designated in Charleston, West Virginia, by the underwriter.

- 3) That the executed Bonds will be delivered to us in Charleston, or other mutually agreeable location, on or prior to August 5, 1977. Payment of the Bonds shall be made in immediately available Funds unless otherwise mutually agreed upon. In the event the City is unable to comply with this condition for any reason, then in that event it shall be our option to accept or reject the Bonds if tendered for delivery at a later date;
- 4) The Underwriter shall have the right to cancel the Agreement of the Underwriter contained herein to purchase the Bonds by notifying the City of its election so to do if, after the execution of this Contract of Purchase and prior to the Closing:
 - (i) a decision by a court of the United States or the United States Tax Court shall be rendered, or a ruling, or a regulation (final, temporary or proposed), by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be issued and in the case of any such regulation, published in the Federal Registrar, or legislation shall have been enacted by or favorably reported to either the House of Representatives or the Senate, with respect to Federal taxation upon interest received on bonds of the type and character of the Bonds which, in the reasonable judgment of the Underwriter, seriously affects the market for the Bonds or the sale by the Underwriter of the Bonds to be purchased by him; or (ii) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency; or (iii) there shall have occurred a general suspension of trading on the New York Stock Exchange; or (iv) a general banking moratorium shall have been declared by the United States, New York State or West Virginia State authorities; or (v) the market for the Bonds or the sale thereof by the Underwriter shall have been materially and adversely affected, in the opinion of the Underwriter by reason of the fact that there has occurred a default with respect to the payment of principal of or interest on the debt obligations of, or the institution of proceedings under the Federal bankruptcy laws by or against, any state of the United States, or public agency thereof, or any city located in the United States with a population of more than 5,000,000.
- 5) You represent and warrant to the Underwriter which representations and warranties will survive delivery of the Bonds, as follows:
 - (i) That the City is a valid municipal corporation existing under the laws of West Virginia; has full legal right, power and authority to issue, deliver and sell the Bonds; and shall have complied and will comply on the closing in all respects with all applicable statutes and laws, including particularly Article 13, Chapter 16 of the Code of West Virginia, 1931, as amended (the "Act");
 - (ii) That on the date of delivery of the Bonds, no amendments shall have been made to the Ordinances except such amendments or supplements thereto acceptable to the Underwriter;
 - (iii) That as of the date hereof to the date of Closing, there is no litigation affecting the City of Hurricane

or the Sanitary Board thereof that would in any manner prevent consummation of the transaction contemplated herein, or encumber to any degree the assets or revenues of the sanitary sewer system of the City of Hurricane.

- 6) That, at the Closing, the Underwriter shall receive the following documents:
 - (i) A certificate of the Mayor of the City that the Ordinances and related documents have not been amended, modified, supplemented or repealed, except as may have been agreed to in writing by the Underwriter and are in full force and effect.
 - (ii) A certificate by the Mayor of your City to support the conclusion that the Bonds will not be "arbitrage bonds" within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended.
 - (iii) A certificate or certificates, dated as of the date of Closing, signed by the Mayor of the City in which such official states, to the best of his knowledge, that the Federal grant offered by the Environmental Protection Agency (the "EPA") and accepted by the City is in full force and effect, the grants offered and accepted by the city from the West Virginia Water Development Authority, the Appalachian Regional Commission and the Putnam County Commission respectively are in full force and effect, and that the low construction bid submitted on May 7, 1977 is still in full force and effect and that such construction bid will be immediately accepted after the Closing.
 - (iv) Such additional certificates, instruments or opinions as Bond Counsel may deem necessary or desirable to evidence the due authorization, execution and delivery of the Bonds.
- 7) That the interim rates approved by the Public Service Commission of West Virginia (the "PSC") by order dated June 20, 1977 shall have been put into effect prior to the Closing;
- 8) That the Summary Engineering Report prepared by Kelly, Gidley, Blair & Wolfe, Inc., Consulting Engineers, Charleston, West Virginia, in form and substance satisfactory to the Underwriter, shall have been executed and delivered to the Underwriter on or before July 22, 1977.

Delivered to you herewith is a certified or bank cashier's check payable to the order of the City of Hurricane, West Virginia, in Charleston Clearinghouse funds in the amount of \$4,650, which shall be held by you, uncashed, after your acceptance of this offer until delivery of the Bonds. In the event you do not accept this offer, such check shall be promptly returned to us. In the event of your failure to deliver the Bonds at the Closing, or if you shall be unable to satisfy the conditions of the obligations of the Underwriter to purchase and accept delivery of the Bonds as set forth in this Contract of Purchase, or if the obligation of the Underwriter shall be terminated for any reason permitted by this Contract of Purchase, such check shall be immediately returned to us. In the event that we fail (other than for a reason permitted hereunder) to accept and pay for the Bonds at the Closing as herein provided, such amount shall be retained by

Page Four:

you as and for liquidated damages for such failure and for any defaults hereunder on our part. The Underwriter understands that in such event your actual damages may be greater or may be less than such amount. Accordingly, the Underwriter hereby waives any right to claim that the City's actual damages are less than such amount together with any interest earned on the investment thereof and the City's acceptance of this offer shall constitute a waiver of any right the City may have to additional damages from the Underwriter.

It is understood and agreed that the City shall pay the cost of the preparation, printing and delivery of the Bonds including Cusip numbers thereon, the publication of the Ordinances, additional resolutions, if any, and the fees and disbursements of Bond Counsel, local counsel, consulting engineer, accountants and of any other experts or consultants retained by the City. The Underwriter shall pay all expenses in connection with the offering and distribution of the Bonds. The City shall be under no obligation to pay any expenses incident to the performance of the Underwriter hereunder.

Any notice or other communication to be given to you under this Contract may be given by delivery of the same in writing at your address set forth above and any such notice or other communication to be given to the Underwriter by delivering the same in writing to Young Moore & Company, Inc., 1503 Kanawha Valley Building, Charleston, West Virginia 25301, to the attention of Mr. Harry S. Moore, President.

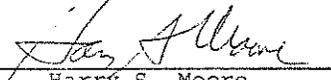
This offer is made subject to your acceptance and execution of this Contract of Purchase on or before 10 P.M., EDST, July 18, 1977.

Upon passage by the City Council of the City of Hurricane, West Virginia of an appropriate approving resolution and execution by the Mayor, this proposal shall become a binding contract between the parties hereto according to its terms.

RESPECTFULLY SUBMITTED,

YOUNG MOORE & COMPANY, INC.

BY


Harry S. Moore
President

Accepted for and on behalf of the City of Hurricane, West Virginia by proper resolution of the City Council this 18th day of July, 1977.

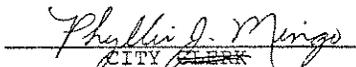
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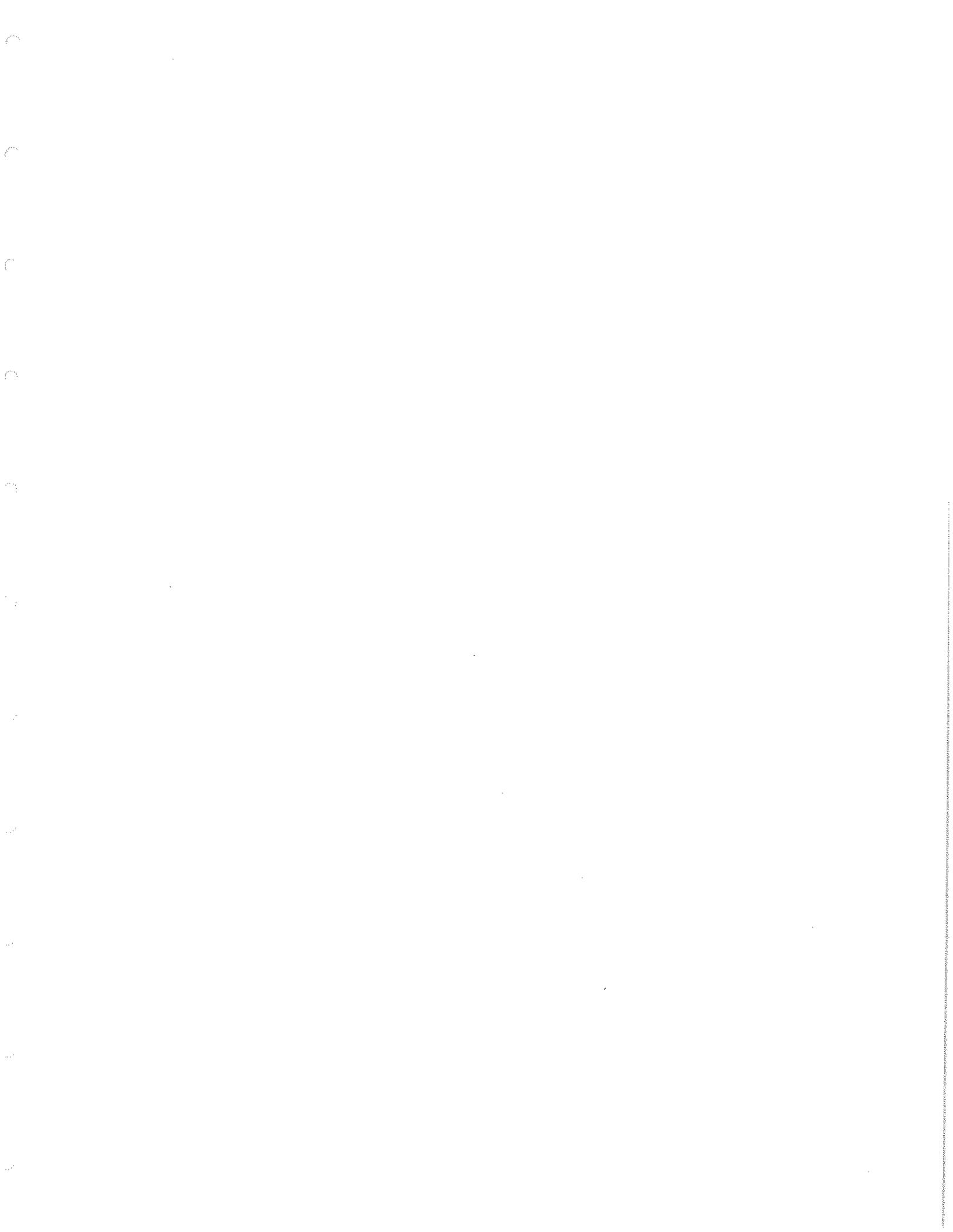
BY


MAYOR

ATTEST:

BY


CITY CLERK
Recorder



CITY OF HURRICANE

Sewer Refunding Revenue Bonds, Series 2003 A

REGISTRAR AGREEMENT

THIS AGREEMENT, dated as of the 28th day of October, 2003, by and between the CITY OF HURRICANE, a municipal corporation (the "Issuer"), and BRANCH BANKING AND TRUST COMPANY, Charleston, West Virginia (the "Bank").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$290,000 Sewer Refunding Revenue Bonds, Series 2003 A (the "Bonds"), in the form of one bond, numbered AR-1, in fully registered form, pursuant to a Bond Ordinance and a Supplemental Resolution, both enacted by the Issuer on October 6, 2003 and a Second Supplemental Resolution adopted on October 22, 2003 (collectively, the "Ordinance");

WHEREAS, capitalized words and terms used in this Agreement and not otherwise defined herein shall have the respective meanings given them in the Ordinance;

WHEREAS, the Ordinance provides for the appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Ordinance and this Agreement does appoint, the Bank to act as Registrar under the Ordinance 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 Agreement by the Issuer and the Bank and during the term hereof, the Bank does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Ordinance, 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 Bank 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 Bank'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 Bank 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 Agreement, the Issuer hereby agrees to pay to the Bank the compensation, if any, for services rendered as provided in the annexed schedule.

5. It is intended that this Agreement shall carry out and implement provisions of the Ordinance with respect to the Registrar. In the event of any conflict between the terms of this Agreement and the Ordinance, the terms of the Ordinance shall govern.

6. The Issuer and the Bank each warrants and represents that it is duly authorized and empowered to execute and enter into this Agreement and that neither such execution nor the performance of its duties hereunder or under the Ordinance will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This 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 address:

ISSUER:

City of Hurricane
Post Office Box 1086
Hurricane, West Virginia 25526
Attention: Mayor

REGISTRAR:

Branch Banking and Trust Company
501 Tennessee Avenue
Charleston, West Virginia 25302
Attention: Russell R. Akers, II

With a copy to:
Branch Banking and Trust Company
Governmental Finance
Post Office Box 31273
Charlotte, North Carolina 28231
Attention: F. Louis Loyd

The Issuer and the Bank shall notify the other in writing of any change of address.

8. The Bank is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Ordinance.

IN WITNESS WHEREOF, the parties hereto have respectively caused this Agreement to be signed in their names and on their behalf, all as of the date first above-written.

CITY OF HURRICANE

Raymond Beck
Mayor

BRANCH BANKING AND TRUST COMPANY

Remell R. Ahee
Authorized Officer

10/09/03
435630.00001

IN WITNESS WHEREOF, the parties hereto have respectively caused this Agreement to be signed in their names and on their behalf, all as of the date first above-written.

CITY OF HURRICANE

Raymond Bush
Mayor

BRANCH BANKING AND TRUST COMPANY

Russell R. Oberon
Authorized Officer

10/09/03
435630.00001

IN WITNESS WHEREOF, the parties hereto have respectively caused this Agreement to be signed in their names and on their behalf, all as of the date first above-written.

CITY OF HURRICANE

Raymond Beah
Mayor

BRANCH BANKING AND TRUST COMPANY

Russell R. Ables II
Authorized Officer

10/09/03
435630.00001

IN WITNESS WHEREOF, the parties hereto have respectively caused this Agreement to be signed in their names and on their behalf, all as of the date first above-written.

CITY OF HURRICANE

Raymond Best
Mayor

BRANCH BANKING AND TRUST COMPANY

Russell R. Owen
Authorized Officer

10/09/03
435630.00001

IN WITNESS WHEREOF, the parties hereto have respectively caused this Agreement to be signed in their names and on their behalf, all as of the date first above-written.

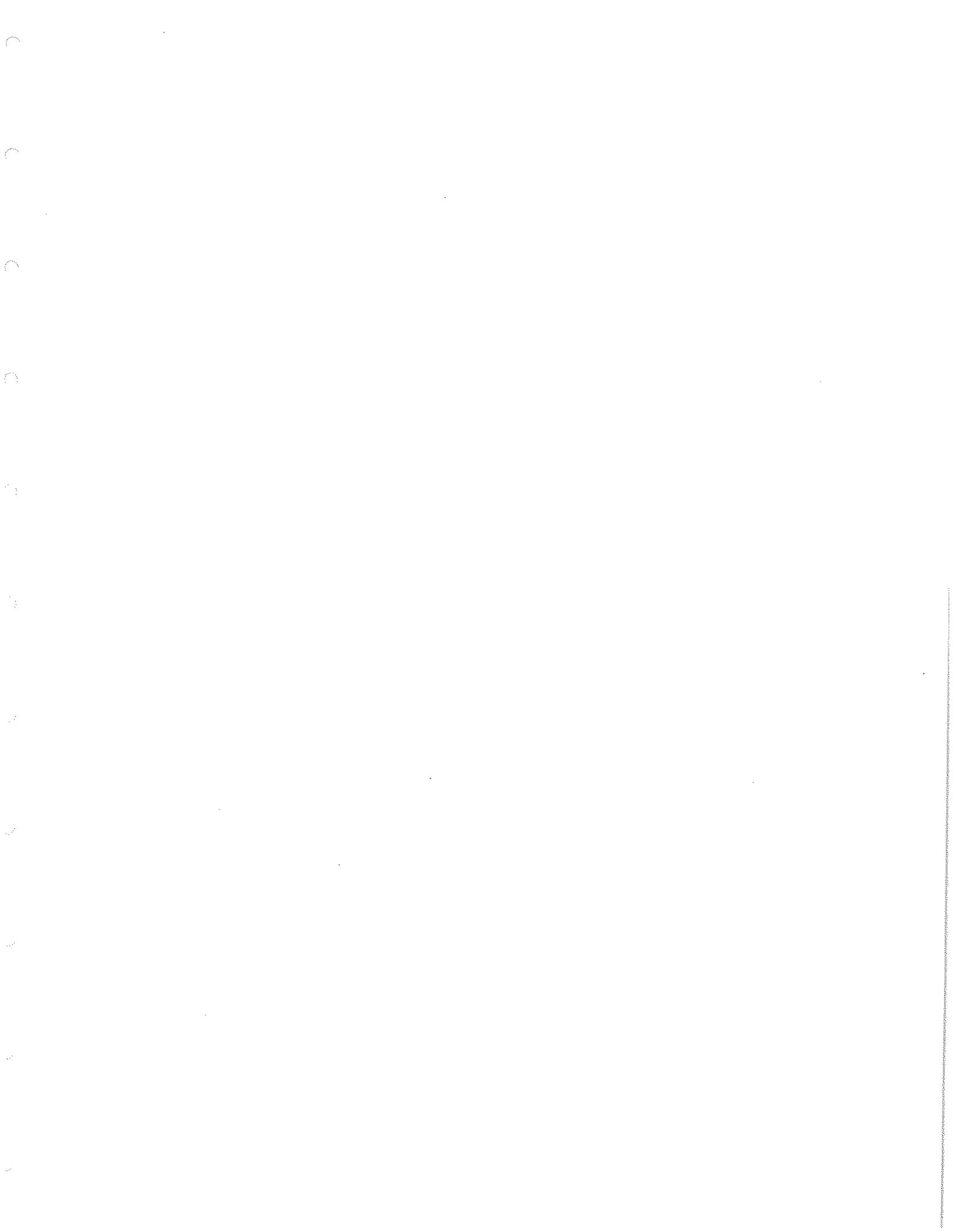
CITY OF HURRICANE

Raymond Beck
Mayor

BRANCH BANKING AND TRUST COMPANY

Russell R. Adams
Authorized Officer

10/09/03
435630.00001



CITY OF HURRICANE

Sewer Refunding Revenue Bonds, Series 2003 A

CERTIFICATE OF REGISTRATION OF BONDS

BRANCH BANKING AND TRUST COMPANY, Charleston, West Virginia, as Registrar (the "Registrar"), hereby certifies that on the date hereof, the single, fully registered Sewer Refunding Revenue Bonds, Series 2003 A, of the City of Hurricane (the "Issuer"), dated October 28, 2003, in the principal amount of \$290,000, numbered AR-1, was registered as to principal and interest in the name of "Branch Banking and Trust Company" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of the Registrar.

WITNESS my signature on this 28th day of October, 2003.

BRANCH BANKING AND TRUST COMPANY,
as Registrar

By: 
Its: Authorized Officer

10/20/03
435630.00001



October 28, 2003

Governmental Finance501 Tennessee Avenue
Charleston, WV 25302
(304) 353-1635
Fax (304) 340-4702City of Hurricane
Hurricane, West VirginiaRe: City of Hurricane
Sewer Refunding Revenue Bonds, Series 2003 A

Ladies and Gentlemen:

The undersigned Russell R. Akers, II, Assistant Vice President, of Branch Banking and Trust Company, Charleston, West Virginia (the "Purchaser"), on behalf of the Purchaser in connection with its purchase of the \$290,000 aggregate principal amount of the Sewer Refunding Revenue Bonds, Series 2003 A (the "Bonds"), issued by the City of Hurricane (the "Issuer") on the date hereof, pursuant to a Bond Ordinance enacted by the Issuer on October 6, 2003, as supplemented by a Supplemental Resolution adopted by the Issuer on October 6, 2003 (collectively, the "Ordinance"), hereby makes the following representations and warranties to you that:

1. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by our purchase of the Bonds, and our net worth and available assets are such that we are able to bear the economic risk of our purchase of the Bonds.

2. We understand that the entire principal of and interest on the Bonds are payable by the Issuer solely from and secured by a first lien on the Net Revenues (as defined in the Ordinance), on a parity with the Series 1989 A Bonds (as defined in the Ordinance), and senior and prior to the Series 1989 B Bonds (as defined in the Ordinance), with respect to liens, pledge and source of and security for payment; that the Bonds are special and limited obligations of the Issuer and are not general obligations or secured by any obligation or pledge of any monies received or to be received by the Issuer other than the Net Revenues described above; and that the Bonds do not now and shall never constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation.

3. We understand that no official statement, prospectus, offering circular or other offering statement containing material information with respect to the Issuer or the Bonds is being issued, that the Bonds are unrated, and that in due diligence, we have made our own inquiry and analysis with respect to the Issuer, the Bonds and the security therefor, and other material factors affecting the security for and payment of the Bonds, and are relying solely on such inquiry and analysis in our purchase of the Bonds.

4. We acknowledge that during the course of the transaction and prior to the sale of the Bonds, we have requested or have had access to information, including financial statements and other financial information, to which a reasonable investor would attach significance in making investment decisions, and we have had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Issuer, the Bonds and the security therefor, so that as a reasonable investor, we have been able to make our decision to purchase the Bonds. No such information requested by us has been denied to us.

5. Because of our experience in financial and business matters, we feel that we are qualified to make the inquiry and analysis described in paragraph 3 and to understand fully the documents and information described in paragraph 4.

6. We understand that the Internal Revenue Code of 1986, as amended (the "Code"), prescribes satisfaction of several requirements in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes, some of which apply after issuance of the Bonds, and that noncompliance by the Issuer with certain of such requirements could cause interest on the Bonds to be includable in gross income for federal income tax purposes and thus, subject to federal income taxation retroactively to the date hereof. We also understand that under the Code, interest on obligations, such as the Bonds, which are not "private activity bonds," are not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations by Section 55 of the Code, but that a provision of the Code which is applicable to corporations (as defined for federal income tax purposes), and which would impose an alternative minimum tax on a portion of the excess of adjusted net book income over pre-book alternative minimum taxable income, could subject part of the interest on the Bonds received by corporations to such corporate alternative minimum tax. Additionally, we understand that there may be certain other federal tax provisions which may be applicable.

7. We understand that the Bonds (a) are not being registered under the Securities Act of 1933, as amended, and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed on any stock or other securities exchange, (c) will carry no rating from any rating service, and (d) may be resold only to purchasers who meet the criteria set forth herein and who, as a condition to such purchase, deliver an executed letter substantially in the form hereof to Steptoe & Johnson PLLC, Charleston, West Virginia.

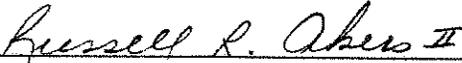
8. We are purchasing the Bonds for investment in our own account and do not intend to divide the Bonds purchased by us nor to resell or otherwise dispose of all or any part of the Bonds purchased by us, except as permitted by law on a basis of full disclosure to any subsequent holder of the Bonds and subject to applicable securities laws and regulations thereunder.

9. The Bonds, the Ordinance and the other certificates, opinions and documents delivered in connection with the issuance of the Bonds contain such terms and are in such form that are acceptable to the Purchaser.

10. We have had the opportunity to consult with and be advised by legal counsel as to the significance of this letter and we have satisfied ourselves that the Bonds are a lawful investment for us under all applicable laws.

Very truly yours,

BRANCH BANKING AND TRUST
COMPANY



Its Assistant Vice President



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

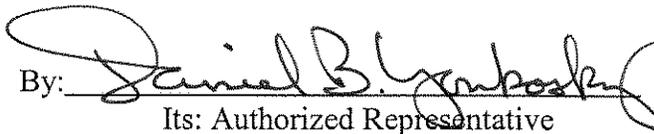
City of Hurricane
Sewer Refunding Revenue Bonds, Series 2003 A

CONSENT OF WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

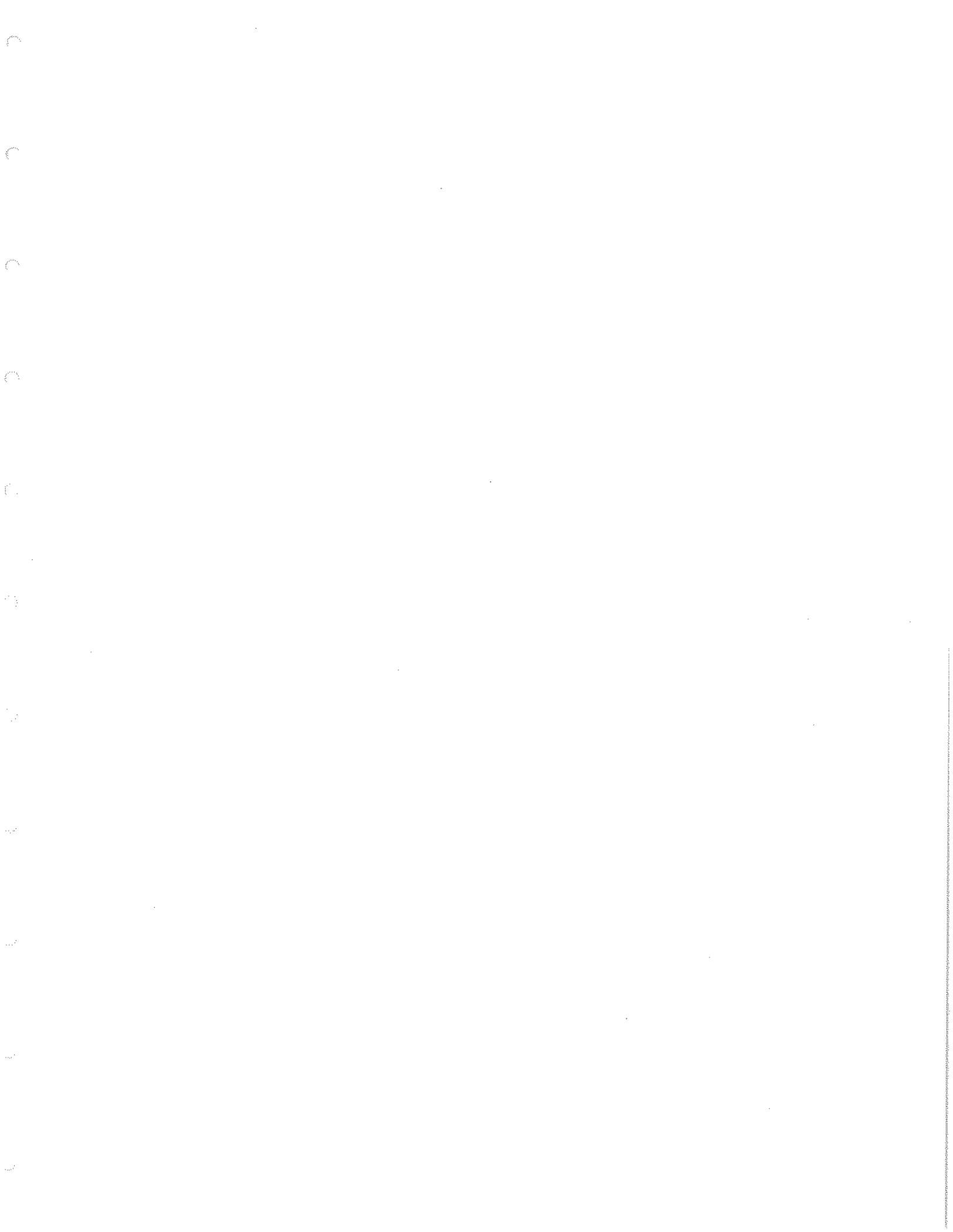
In reliance upon the defeasance opinion of Steptoe & Johnson PLLC and the Certificate of Michael Griffith, Certified Public Accountant, of even date hereof, the undersigned duly authorized representative of the West Virginia Water Development Authority, the registered owner of the entire outstanding principal amount of the Prior Bonds, as hereinafter defined and described, hereby consents to (1) the issuance of the Sewer Refunding Revenue Bonds, Series 2003 A (the "Series 2003 A Bonds"), in the original aggregate principal amount of \$290,000, by the City of Hurricane (the "Issuer"), under the terms of the Ordinance authorizing the Series 2003 A Bonds, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's Sewer Revenue Bonds, Series 1989 A and senior and prior to the Issuer's Sewer Revenue Bonds, Series 1989 B Bonds.

WITNESS my signature on this 28th day of October, 2003.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: 
Its: Authorized Representative

ON FILE WITH ISSUER



WV MUNICIPAL BOND COMMISSION
#8 Capitol Street, Suite 500
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: October 28, 2003

(See Reverse for Instructions)

ISSUE: City of Hurricane Sewer Refunding Revenue Bonds, Series 2003 A

ADDRESS: Post Office Box 1086, Hurricane, WV 25526 COUNTY: Putnam

PURPOSE OF ISSUE: New Money: _____
Refunding: X REFUNDS ISSUE(S) DATED: April 1, 1977

ISSUE DATE: October 28, 2003 CLOSING DATE: October 28, 2003

ISSUE AMOUNT: \$290,000 RATE: 4.10%

1ST DEBT SERVICE DUE: November 1, 2003 1ST PRINCIPAL DUE: November 1, 2003

1ST DEBT SERVICE AMOUNT: \$ 3,362.10 PAYING AGENT: Branch Banking and Trust Company

BOND COUNSEL: Stephoe & Johnson PLLC
Contact Person: Vincent A. Collins, Esq.
Phone: (304) 624-8161

UNDERWRITERS COUNSEL: _____
Contact Person: _____
Phone: _____

CLOSING BANK: Branch Banking and Trust Company
Contact Person: Russell R. Akers, II
Phone: (304) 353-1635

ESCROW TRUSTEE: Municipal Bond Commission
Contact Person: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Raymond Peak
Position: Mayor
Phone: (304) 562-5896

OTHER: _____
Contact Person: _____
Function: _____
Phone: _____

DEPOSITS TO MBC AT CLOSE: _____
By: x Wire _____
_____ Check _____
Accrued Interest: \$ _____
Capitalized Interest: \$ _____
Reserve Account: \$ _____
x Other: deposit to Escrow \$ 290,000
Fund

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: _____ Wire _____
_____ Check _____
_____ IGT _____
x Internal Transfer _____
To Escrow Trustee: \$ _____
To Issuer: \$ _____
To Cons. Invest. Fund: \$ _____
x To Other: Escrow Fund \$ *

NOTES: * Transfer from the Series 1977 Bonds Reserve Account: (i) \$12,000 from Series 1977 Bonds Reserve Account to Escrow Fund; and (ii) \$40,346 to the Series 2003 A Bonds Reserve Account to fully fund said account.

FOR MUNICIPAL BOND COMMISSION USE ONLY:

DOCUMENTS REQUIRED: _____
TRANSFERS REQUIRED: _____

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specified by the West Virginia Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes."

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at closing are required, please submit this form before closing. If no significant facts change by closing, no resubmission at closing is required. If, however, there are changes, please submit an updated form, with changes noted, at closing.

If you should have any questions concerning this form, please call the Commission.

10/20/03
435630.00001



August 26, 2003

Raymond Peak
Mayor
City of Hurricane Town Hall
3255 Teays Valley Road
Hurricane, WV 25526

Governmental Finance
601 Tennessee Avenue
Charleston, WV 25302
(304) 353-1635
Fax (304) 340-4702

Dear Mr. Peak:

Branch Banking and Trust Company ("BB&T") is pleased to offer this proposal for the financing requested by the City of Hurricane ("City").

- (1) **Project:** Refunding Series 1977 Water Revenue Bond
- (2) **Amount To Be Financed:** \$ 350,000.00
- (3) **Interest Rates, Financing Terms and Corresponding Payments:**

<u>Term</u>	<u>Rate</u>
Maturity April 1, 2012	4.10%

Payments shall be monthly in arrears, as requested. See the attached amortization schedule(s) for information on payments.

The interest rates stated above are valid for a closing not later than 30 days after today. Closing of the financing is contingent upon completing documentation acceptable to BB&T and upon the condition of the property being acceptable to BB&T. We shall review your most recent financial statements before funding this transaction.

Remuneration for our legal expenses, preparation of documentation and for providing the project fund services for this financing transaction shall be 1/2% of amount financed. All applicable taxes, permits, costs of lawyers for the City and any other costs shall be the City's responsibility and separately payable by the City. The financing documents shall allow prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.

The stated interest rates assume that the City expects to borrow less than \$10,000,000 in calendar year 2003 and that the financing shall qualify as qualified tax-exempt financing under the Internal Revenue Code. BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not qualified tax-exempt financing.

(4) **Financing Documents:**

It shall be the responsibility of the City to retain and compensate counsel to appropriately structure the refunding of the City of Hurricane revenue bonds, series 1977 to West Virginia State statutes. BB&T shall also require the Commission to provide an unqualified counsel opinion. BB&T reserves the right to review the City of Hurricane revenue bonds, series 1977 and it must be mutually accepted by BB&T and the City.

* * * * *

BB&T appreciates the opportunity to make this financing proposal and requests to be notified within five days of this proposal should BB&T be the successful proposer.

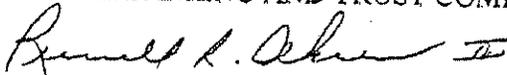
BB&T shall have the right to cancel this offer by notifying the City of its election to do so (whether or not this offer has previously been accepted by the City if at any time prior to the closing there is a material adverse change in the City's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the City or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T. We reserve the right to negotiate and/or terminate our interest in this transaction should we be the successful proposer.

Should we become the successful proposer, we have attached the form of a resolution that your governing City can use to award the financing to BB&T. If your City adopts this resolution, then BB&T shall not require any further City action prior to closing the transaction.

Please call me at (304) 353-1635 with your questions and comments. We look forward to hearing from you.

Sincerely,

BRANCH BANKING AND TRUST COMPANY



Russell R. Akers, II
Assistant Vice President

Enclosure

CLOSING MEMORANDUM

To: Financing Team
From: John C. Stump, Esquire
Date: October 28, 2003
Re: City of Hurricane
Sewer Refunding Revenue Bonds, Series 2003 A

1. DISBURSEMENTS TO WEST VIRGINIA MUNICIPAL BOND COMMISSION

Payor: West Virginia Municipal Bond Commission
Source: Series 2003 A Bonds Proceeds
Amount: \$290,000.00
Form: Wire
Payee: City of Hurricane
Contact: Witter Hallan, Executive Director (558.3971)
Account: Series 1977 Bonds Escrow Account

10/28/03
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