

CITY OF BECKLEY
(WEST VIRGINIA)

ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING STORMWATER REVENUE BONDS, SERIES 2010 A AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF STORMWATER REFUNDING REVENUE BONDS, SERIES 2020 A OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$1,350,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS AND AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

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 (collectively, the "Act"), and other applicable provisions of law.

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

A. The City of Beckley (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Raleigh County of said State.

B. The Issuer presently owns and operates a public stormwater management and conveyance system. The existing public stormwater management and conveyance system of the Issuer, and any further additions, betterments and improvements thereto are herein referred to as the "System."

C. The Issuer has heretofore issued it Stormwater Revenue Bonds, Series 2010 A (JP Morgan Chase Bank, N.A.), dated December 15, 2010, issued in the original aggregate principal amount of \$2,000,000 (the "Series 2010 A Bonds"), the proceeds of which Series 2010 A Bonds were used to pay the costs of design, acquisition, construction and equipping of additions, betterments and the improvements to the System.

D. The Issuer has determined that interest cost savings can be realized through the refinancing of the Series 2010 A Bonds and the Issuer has further determined to undertake the refinancing of the Series 2010 A Bonds.

E. It is deemed necessary for the Issuer to issue its Stormwater Refunding Revenue Bonds, Series 2020 A, in the total aggregate principal amount of not more than \$1,350,000 (the "Series 2020 A Bonds"), initially to be represented by a single bond, the proceeds of which will be used to (i) pay in full the outstanding principal of, and interest on, the Series 2010 A Bonds; and (ii) pay costs of issuance and other costs related to the Series 2020 A Bonds.

F. It is in the best interests of the Issuer that its Series 2020 A Bonds be sold to the Purchaser (as hereinafter defined) pursuant to this Bond Legislation.

G. There are no outstanding obligations of the Issuer which will rank on a parity with the Series 2020 A Bonds as to liens, pledge, source of and security for payment.

H. The Issuer derives revenues from the System and intends to issue the Series 2020 A Bonds and to pledge for payment thereof the Net Revenues of the System. Upon issuance of the Series 2020 A Bonds, the Series 2020 A Bonds will be secured by a first lien on the Net Revenues of the System.

I. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient to provide for repair, maintenance and operation of the System, the payment of the principal of and interest on the Series 2020 A Bonds as and when it becomes due, and to make all other payments provided for in this Ordinance.

J. It is in the best interests of the Issuer, and the residents thereof, that the Issuer issue the Series 2020 A Bonds, and secure the Series 2020 A Bonds by a pledge and assignment of the Net Revenues derived from the operation of the System, unexpended proceeds of the Series 2020 A Bonds and as further set forth herein.

K. The Issuer has complied with all requirements of West Virginia law relating to the operation of the System, the issuance of the Series 2020 A Bonds, or will have so complied prior to issuance of any thereof.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2020 A Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Registered Owners of any and all of such Series 2020 A Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Series 2020 A Bond and any other Series 2020 A Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

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

“Authorized Officer” means the Mayor of the Issuer, or any other officer of the Issuer specifically designated by resolution of the Governing Body.

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

“Bond Legislation,” “Ordinance,” “Bond Ordinance” or “Local Act” means this Bond Ordinance and all ordinances, orders and resolutions supplemental hereto or amendatory hereof.

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

“Bonds” means, collectively, the Series 2020 A Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

“Closing Date” means the date upon which there is an exchange of the Series 2020 A Bonds for all or a portion of the proceeds of the Series 2020 A Bonds.

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

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

“Council” means the Common Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the Council as presently constituted.

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

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

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

“Governing Body” means the Council of the Issuer, as it may now or hereafter be constituted.

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

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

of, or from any increase in the value of, capital assets (including Qualified Investments, as hereinafter defined, purchased pursuant to Article 8.01 hereof) or any Tap Fees, as hereinafter defined.

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

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

“Investment Property” means (a) any security (within the meaning of Section 165(g)(2)(A) or (B) of the Code); (b) any obligation; (c) any annuity contract; (d) any investment-type property, or (e) in the case of a bond other than a private activity bond, any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan. Except as provided in the following sentence, the term “Investment Property” does not include any tax-exempt bond. With respect to an issue other than an issue a part of which is a specified private activity bond (as defined in section 57(a)(5)(C) of the Code), the term “Investment Property” includes a specified private activity bond (as so defined).

“Issuer” means the City of Beckley, a municipal corporation and political subdivision of the State of West Virginia, in Raleigh County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

“Mayor” means the Mayor of the Issuer.

“Net Proceeds” means the face amount of the Series 2020 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 2020 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 the Depository Bank, the Registrar and the Paying Agent (all as herein defined), other than those capitalized as part of the costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that “Operating Expenses” does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

“Outstanding,” when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered, except (i) any Bond

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

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

“Paying Agent” means the Commission or other entity or authority designated as such for the Series 2020 A Bonds in the Supplemental Resolution.

“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 2020 A Bonds directly from the Issuer, designated as such in the Supplemental Resolution and its successors and assigns.

“Qualified Investments” means and includes any investment permitted to be made by a municipality, public service district or public corporation of the State pursuant to State Law, specifically including but not limited to Chapter 8, Article 13, Section 22 of the Code of West Virginia and the West Virginia “consolidated fund” managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the Code of West Virginia.

“Recorder” means the Recorder of the Issuer.

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

“Registrar” means the Bond Registrar.

“Regulations” means temporary and permanent regulations promulgated under the Code, or any predecessor thereto.

“Renewal and Replacement Fund” means the Renewal and Replacement Fund created hereby.

“Revenue Fund” means the Revenue Fund created by the Section 5.01 hereof.

“Series 2010 A Bonds” means the Issuer’s Stormwater Revenue Bonds, Series 2010 A (JP Morgan Chase Bank, N.A.), dated December 15, 2010, issued in the original aggregate principal amount of \$2,000,000.

“Series 2020 A Bonds” means Stormwater Refunding Revenue Bonds, Series 2020 A of the Issuer, authorized by this Bond Legislation.

“Series 2020 A Bonds Reserve Account” means the Series 2020 A Bonds Reserve Account established by Section 5.02 hereof.

“Series 2020 A Bonds Reserve Requirement” means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2020 A Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2020 A Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2020 A Bonds.

“Series 2020 A Bonds Sinking Fund” means the Series 2020 a Bonds Sinking Fund established by Section 5.02 hereof.

“State” means the State of West Virginia.

“Supplemental Resolution” means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article “the,” refers specifically to the supplemental resolution authorizing the sale of the Series 2020 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2020 A Bonds, and not so included may be included in another Supplemental Resolution.

“Surplus Revenues” means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds or any other obligation of the Issuer, including, without limitation, the Sinking Fund.

"System" means the complete public stormwater system of the Issuer, presently existing in its entirety or any integral part thereof, and any further additions, extensions and improvements thereto hereafter constructed or acquired for the System from any sources whatsoever.

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

ARTICLE II

AUTHORIZATION OF PAYMENT OF THE SERIES 2010 A BONDS

Section 2.01. Authorization of Payment of the Series 2010 A Bonds. There is hereby authorized and ordered the payment of the Series 2010 A Bonds at an estimated cost of not to exceed \$1,350,000. The Series 2010 A Bonds outstanding as of the date of issuance of the Series 2020 A Bonds are hereby ordered to be paid in full, and the pledge of assets, if any, in favor of the Holders of the Series 2010 A Bonds, and the monies in the funds and accounts created by the Series 2010 A Bonds pledged to payment of the Series 2010 A Bonds if any, and any other funds pledged to pay of the Series 2010 A Bonds, if any, are hereby ordered terminated, discharged and released upon the payment to the Holder of the Series 2010 A Bonds from the proceeds of the Series 2020 A Bonds and from other monies available therefor, of the following: an amount equal to the fiscal and paying agent charges to become due and payable in connection with the Series 2010 A Bonds and an amount which will provide for the payment of the entire outstanding principal of and all accrued interest on the Series 2010 A Bonds, plus the premium, if any, on the Closing Date.

ARTICLE III
AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND
SALE OF BONDS

Section 3.01. Authorization of Bonds. For the purposes of (i) refunding the Series 2010 A Bonds; (ii) funding a reserve account for the Series 2020 A Bonds; and (iii) paying certain costs of issuance and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2020 A Bonds of the Issuer. The Series 2020 A Bonds shall be issued as a single bond, designated "Stormwater Refunding Revenue Bond, Series 2020 A", in the principal amount of not more than \$1,350,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution.

Section 3.02. Terms of Bonds. The Series 2020 A Bonds shall be issued in such principal amounts; shall bear interest at such rate or rates, not exceeding the then legal maximum, payable on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution. The Series 2020 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2020 A Bonds shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Purchaser is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2020 A Bonds shall initially be issued in the form of a single bond, fully registered to the Purchaser, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2020 A Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2020 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Purchaser shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2020 A Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Recorder. In case any one or more of the officers who shall have signed or sealed the Series 2020 A Bonds shall cease to be such officer of the Issuer before the Series 2020 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2020 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of the authorization of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2020 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and

until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2020 A Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2020 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2020 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2020 A Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Series 2020 A Bonds.

The registered Series 2020 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2020 A Bonds or transferring the registered Series 2020 A Bonds are exercised, all Series 2020 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2020 A Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 2020 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 2020 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2020 A Bonds or, in the case of any proposed redemption of Series 2020 A Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2020 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay

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

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2020 A Bonds shall not, in any event, be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 2020 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2020 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of all Series 2020 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the operation of the System. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2020 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as the same become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2020 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2020 A Bonds to the original purchasers upon receipt of the documents set forth below:

- A. If other than the Purchaser, a list of the names in which the Series 2020 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;
- B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2020 A Bonds to the Purchaser;
- C. An executed and certified copy of the Bond Legislation; and
- D. The unqualified approving opinion of bond counsel on the Series 2020 A Bonds.

Section 3.10. Sale of Bonds. The Series 2020 A Bonds shall be sold to the Purchaser, pursuant to this Bond Legislation.

Section 3.11. Form of Bonds. The text of the Series 2020 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

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(FORM OF SERIES 2020 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BECKLEY
STORMWATER REFUNDING REVENUE BONDS, SERIES 2020 A

No. AR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: This ____ day of _____, 2020, that the City of Beckley, a municipal corporation and political subdivision of the State of West Virginia in Raleigh County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the sources and in the manner hereinafter set forth, to the order of:

(Purchaser)

or registered assigns (the "Registered Owner"), the principal sum of _____ DOLLARS (\$_____) or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference together with and principal and interest payments of \$_____ payable monthly beginning _____, 20__ to and including _____, 20__ 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 the West Virginia Municipal Bond Commission, Charleston, West Virginia as Paying Agent.

Redemption in whole or in part may be made on any date prior to final maturity.

This Bond is issued (i) to refund the Issuer's Series 2010 A Bonds; (ii) to fund the Seires 2020 A Bonds Reserve Account; and (iii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public stormwater system of the Issuer and any further additions, betterments or improvements 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"), a Bond Ordinance duly enacted by the Issuer on _____, 2020, and a Supplemental Resolution duly adopted by the Issuer on _____, 2020 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, provided however, that so long as there exists in any respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

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.

This Bond is, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, except inheritance, estate and transfer taxes.

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

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

IN WITNESS WHEREOF, the CITY OF BECKLEY 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 the day and year first written above

[SEAL]

Mayor

ATTEST:

Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2020 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2020.

as Registrar

Authorized Officer

EXHIBIT A
RECORD OF ADVANCES

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

TOTAL \$ _____

(Form of)

ASSIGNMENT

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

the within Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books
kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20____.

In the presence of:

ARTICLE IV
[RESERVED]

ARTICLE V
FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with and shall be held by the Depository Bank, separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund; and
- (3) Rebate Fund.

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

- (1) Series 2020 A Bonds Sinking Fund and
- (2) Series 2020 A Reserve Account.

Section 5.03. System Revenues; Flow of Funds.

A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond Legislation. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following manner order of priority:

- (1) The Issuer shall first, each month, pay from the Revenue Fund the current Operating Expenses of the System.
- (2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission, commencing the first date of payment of interest on the Series 2020 A Bonds the required amount of interest coming due on such date.
- (3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission, commencing the first date of payment of principal of the Series 2020 A Bonds, the required amount of principal coming due on such date.
- (4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission the amount required for deposit in the Series 2020 A Bonds Reserve Account.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund, an amount equal to 2 ½% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, 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 accounts have not, as of the date of determination of a deficiency, funded such accounts to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

Monies in the Series 2020 A Bonds Sinking Fund and the Series 2020 A Bonds Reserve Account shall be used only for the purposes of paying principal of and interest, if any, on the Series 2020 A Bonds as the same shall come due and for no other purpose.

All investment earnings on monies in the Series 2020 A Bonds Sinking Fund and the Series 2020 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall be deposited in the Revenue Fund and applied as described in this section.

Any withdrawals from the Series 2020 A Bonds Reserve Account which result in a reduction in the balance of the Series 2020 A Bonds Reserve Account to below the Series 2020 A Bonds Reserve Requirement shall be subsequently restored from the first Revenues available after all required payments have been made in full in the priority as set forth above.

As and when additional Bonds ranking on a parity with the Series 2020 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 maturity and to accumulate a balance in the respective reserve account, if any, in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2020 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2020 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the maturity thereof.

Principal, interest or reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 2020 A Bonds, in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2020 A Bonds Sinking Fund and the Series 2020 A Bonds Reserve Account, created hereunder, and all required amounts for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. The Issuer may make the

necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2020 A Bonds Sinking Fund and the Series 2020 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2020 A Bonds Sinking Fund and the Series 2020 A Bonds Reserve Account therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2020 A Bonds under the conditions and restrictions set forth herein.

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

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

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

E. If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds and accounts on the subsequent payment dates; provided, however, that the priority of curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be made pursuant to this Section 5.03, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

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

ARTICLE VI

BOND PROCEEDS; DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2020 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. There shall be deposited with the Holder of the Series 2010 A Bonds the amount set forth in the Supplemental Resolution to pay the Series 2010 A Bonds.

B. There shall be deposited with the Commission in the Series 2020 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2020 A Bonds Reserve Account.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2020 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2020 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2020 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2020 A Bonds shall not be nor constitute a corporate indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Series 2020 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2020 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2020 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the System. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2020 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Bond Legislation. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the stormwater rate ordinance of the Issuer enacted February 24, 2009, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2020 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Bond Legislation. In the event the schedule of rates and charges initially established for the System in connection with the Series 2020 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation.

Section 7.05. Sale of the System. So long as the Series 2020 A Bonds are outstanding, the Issuer shall not sell or dispose of all, or substantially all, of the System without either defeasing, or paying in full, the Series 2020 A Bonds.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2020 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2020 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 2020 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2020 A Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2020 A Bonds and the interest, if any, thereon in this Bond Legislation, or upon the System or any part thereof.

Section 7.07. Parity Bonds. All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2020 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of design, acquisition or construction of additions, extensions, betterments or improvements to the System, refunding any or all outstanding Bonds to pay claims which may exist against the revenues or facilities of the System, or all such purposes.

No Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Recorder a written statement by the Independent Certified Public Accountants reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues expected to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, if any, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest, if any, on the following:

- (1) The Bonds then Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this 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 the additional customers to be connected to the System as a result of additions, extensions and improvements thereto, or from any increase in rates

enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the date of issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Recorder prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, as stated in a certificate, on account of increased rates, rentals, fees and charges for the System enacted by the Issuer, the time for appeal of which has expired (without successful appeal) prior to the issuance of such Parity Bonds. For purposes of this test, the terms "Gross Revenues" and "Net Revenues" shall not include proceeds from the sale of capital assets.

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

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Series 2020 A Bonds on such revenues. The Issuer 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 Series 2020 A Bonds.

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

No additional bonds, notes, certificates, contracts or any other obligations shall be issued by the City unless no Event of Default shall have occurred and be continuing with respect to the Bonds.

Section 7.08. Books; Records and Audit. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds issued pursuant to this Bond Legislation shall have the right at all reasonable times to inspect the System and all parts thereof and all records, accounts and data of the Issuer relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia and the Act. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other

bookkeeping records as prescribed by the Issuer. The Governing Body shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Issuer shall be reported to such agent of the Issuer as the Issuer shall direct.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required, in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto), and shall mail and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2020 A Bonds.

Section 7.09. Rates. Prior to the issuance of the Series 2020 A Bonds, equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Recorder, which copies will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule or schedules of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, provided however, that so long as there exists in the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%.

All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System. For purposes of this test, the terms "Gross Revenues" and "Net Revenues" shall not include proceeds from the sale of capital assets. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04 hereof.

The Issuer hereby covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 30 days following a determination of the Issuer that less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year.

Section 7.11. Reserved.

Section 7.12. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System, and any services and facilities of the water system, if so owned by the Issuer, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services of either system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law. If the water facilities are not owned by the Issuer, the Issuer shall enter into a termination agreement with the water provider of such water, subject to any required approval of such agreement by the Public Service Commission of West Virginia and all rules, regulations and orders of the Public Service Commission of West Virginia.

Section 7.14. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee of the Issuer shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.15. Insurance and Bonds. A. The Issuer 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 Series 2020 A 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 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 Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion.

(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 Issuer from claims for bodily injury and/or death, and not less than \$1,000,000 to protect the Issuer 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 Series 2020 Bonds.

(iii) Vehicle Public Liability Insurance, in the event the Issuer owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the Issuer is operated at any time or times for the benefit of the Issuer, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$1,000,000 to protect the Issuer 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 Issuer.

(iv) Workers' Compensation Coverage for All Employees of the Issuer Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of any 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 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 Issuer.

(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 Issuer in such amount as may be requested by the Purchaser from time to time.

(vii) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, so long as the Series 2020 A Bonds are outstanding, the Issuer will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the Issuer with insurance carriers or bonding companies acceptable to Purchaser.

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

Section 7.16. Reserved.

Section 7.17. Compliance with Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Act.

The Issuer shall also comply with all applicable laws, rules and regulations issued by the State, federal or local bodies in regard to the operation, maintenance and use of the System. The Issuer will provide the Purchaser, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base).

Section 7.18. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2020 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2020 A Bonds during the term thereof is, under the terms of the Series 2020 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or

to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2020 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2020 A Bonds during the term thereof is, under the terms of the Series 2020 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2020 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the System.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% or \$5,000,000 of the Net Proceeds of the Series 2020 A Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2020 A Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2020 A Bonds and the interest thereon, including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take any and all actions that may be required of it so that the interest on the Series 2020 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions, or fail to take any actions the result of which would adversely affect such exclusion.

Section 7.19. Tax Certificate and Rebate. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of the Series 2020 A Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2020 A Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. The Issuer shall pay, or cause to be paid, to the United States, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be in time to time in effect with such reports and statements as may be prescribed by such Regulations. The Issuer and the Depository Bank (at the expense of the Issuer) may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer or the Depository Bank may deem appropriate in order to assure compliance with this Section 7.19. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 7.19 in accordance with the requirements of Section 148(f) of the Code and such Regulations.

Section 7.20. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2020 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2020 A Bonds.

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8.01. Investments. Any monies held as a part of the funds and accounts created by this Bond Legislation other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond Legislation, the need for such monies for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such monies were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year (or more often if reasonably requested by the Issuer), a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2020 A Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest on the Series 2020 A Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 2020 A Bonds which would cause the Series 2020 A 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 Series 2020 A Bonds) so that the interest on the Series 2020 A 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 8.03. Designation of Series 2020 A Bonds as "Qualified Tax-Exempt Obligations." The Issuer hereby designates the Series 2020 A Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Series 2020 A 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 Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Series 2020 A Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2020, all as determined in accordance with the Code

If the Issuer is subject to the rebate requirements of Section 148(f) of the Code, and not exempted from such requirements, the Issuer covenants to calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, unless otherwise agreed by the Purchaser, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and shall be used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor. In addition, the Issuer shall cooperate with the Purchaser in preparing rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Purchaser at the expense of the Issuer. The Issuer may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 8.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 8.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required, the Issuer shall pay the required rebate amount, any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, and take any other actions necessary, in order to maintain the exclusion of interest on the Series 2020 A Bonds from gross income for federal income tax purposes.

The Issuer shall furnish to the Purchaser, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Purchaser.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2020 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2020 A Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2020 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2020 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

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

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

The receiver so appointed shall forthwith, directly or by his or her or its agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate and maintain, manage and control such facilities, and each and every part thereof, and in the name of the Issuer exercise all the rights and powers of the Issuer with respect to said facilities as the Issuer itself might exercise.

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X **PAYMENT OF BONDS**

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2020 A Bonds, the principal of and interest due or to become due thereon, if any, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2020 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2020 A Bonds from gross income for federal income tax purposes.

ARTICLE XI **MISCELLANEOUS**

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2020 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2020 A Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2020 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 2020 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest, if any, 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 Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2020 A Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with

Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest, if any, on the Series 2020 A Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2020 A Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this 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 Series 2020 A Bonds.

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

Section 11.05. Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this 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 Recorder and members of the Governing Body 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 11.07. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in The Register-Herald, a qualified newspaper of general circulation in the City of Beckley, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2020 A Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

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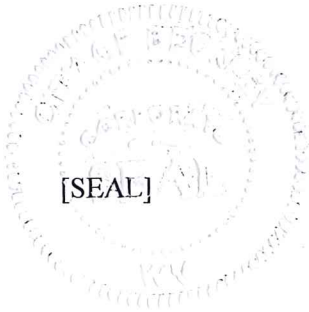
Section 11.09. Effective Date. This Ordinance shall take effect immediately upon enactment.

First Reading: October 27, 2020

Second Reading: November 10, 2020

Passed on Final Reading
Following Public

Hearing: November 24, 2020



A handwritten signature in blue ink, which appears to read "Robert Reynolds", is written over a horizontal line.

Mayor

ATTEST:

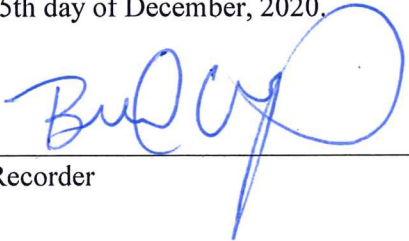
A handwritten signature in blue ink, which appears to read "Bulley", is written over a horizontal line.

Recorder

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of the City of Beckley and that such actions remain in full force and effect and have not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 15th day of December, 2020.


Recorder

CITY OF BECKLEY

Stormwater Refunding Revenue Bonds, Series 2020 A

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE STORMWATER REFUNDING REVENUE BONDS, SERIES 2020 A OF THE CITY OF BECKLEY; AND THE SALE AND DELIVERY OF SUCH BONDS TO CITY NATIONAL BANK; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the “Governing Body”) of the City of Beckley (the “Issuer”) has duly and officially adopted and enacted a bond ordinance, effective November 24, 2020 (the “Bond Ordinance”), entitled:

ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER’S OUTSTANDING STORMWATER REVENUE BONDS, SERIES 2010 A AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF STORMWATER REFUNDING REVENUE BONDS, SERIES 2020 A OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$1,350,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS AND AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Issuer desires to amend the Bond Ordinance through this Supplemental Resolution (collectively, the “Bond Legislation”);

WHEREAS, the Bond Ordinance provides for the issuance of Stormwater Refunding Revenue Bonds, Series 2020 A, of the Issuer (the "Bonds" or the "Series 2020 A Bonds"), in an aggregate principal amount not to exceed \$1,350,000, all in accordance with Chapter 16, Article 13 of the West Virginia Code of 1931, as amended (the "Act"), and in the Bond Ordinance it is provided that the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, it is deemed necessary for the Issuer to issue its Stormwater Refunding Revenue Bonds, Series 2020 A (the "Bonds") in an aggregate principal amount of not more than \$1,350,000, to pay the Series 2010 A Bonds and costs of issuance of the Series 2020 A Bonds and related costs;

WHEREAS, the Bonds are proposed to be purchased by City National Bank, Beckley, West Virginia (the "Purchaser"); and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the exact principal amount, the date, the maturity date, the redemption provision, the interest rate, the interest and principal payment dates and the sale price 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 BECKLEY:

Section 1. For the purposes of (i) paying the Series 2010 A Bonds; and (ii) paying certain costs of issuance of the Series 2020 A Bonds and related costs, the Governing Body of the Issuer hereby authorizes the issuance of the Series 2020 A Bonds.

Section 2. Pursuant to the Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2020 A Bonds of the Issuer, originally represented by a single bond, numbered AR-1, in the principal amount of \$1,212,000. The Series 2020 A Bonds shall be dated December 15, 2020, shall mature on January 1, 2031 and shall bear interest as follows:

A. Interest on the Series 2020 A Bonds shall be payable at a rate of 1.95% per annum (hereinafter sometimes called the "Tax-Exempt Rate"). Interest shall be calculated based upon a year of 360 days consisting of 12 months of 30 days each.

B. Notwithstanding any other provision herein, in the event the interest on the Series 2020 A Bonds is declared to be includible in gross income for federal income tax purposes by the Internal Revenue Service ("Determination of Taxability"), interest on the Series 2020 A Bonds shall be payable at a rate of 2.25% 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 the Series 2020 A Bonds 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 the Series 2020 A Bonds are paid, notwithstanding that the entire principal amount of the Series 2020 A Bonds may have been paid in full prior to the Determination of Taxability. Any interest being past due on the Series 2020 A Bonds by reason of such increase shall become immediately due and payable.

C. The Series 2020 A Bond shall be payable in 120 monthly installments, commencing February 1, 2021, and continuing on the 1st day of each month thereafter to and including January 1, 2031. The monthly installments shall consist of principal and interest and shall be as listed on the debt service schedule attached hereto as Exhibit B.

D. All payments received by the Paying Agent on account of the Series 2020 A Bonds shall be applied first to payment of interest accrued on the Series 2020 A Bonds and next to payment of principal of the Series 2020 A Bonds. If not sooner paid, the entire principal amount of the Series 2020 A Bonds unpaid on January 1, 2031 together with all accrued interest and any other sums due and owing upon the Series 2020 A Bonds shall be due and payable on such date.

Section 3. All other provisions relating to the Bonds and the text of the Bonds shall be in substantially the form provided in the Bond Ordinance.

Section 4. The Bonds shall be sold to City National Bank, Beckley, West Virginia, and shall be registered in the name of such bank. The price of the Bonds shall be 100% of par value, there being no accrued interest accrued thereon.

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

Section 6. The Issuer does hereby appoint and designate City National Bank, Beckley, West Virginia, to serve as Registrar for the Bonds under the Bond Ordinance.

Section 7. Series 2020 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2020 A Bonds Sinking Fund as capitalized interest.

Section 8. Series 2020 A Bonds proceeds in the amount of \$1,191,261.86 shall be deposited with the West Virginia Municipal Bond Commission to pay the principal of and interest on the Series 2010 A Bonds.

Section 9. The balance of the proceeds of the Series 2020 A Bonds shall be deposited in or credited to the Issuer for payment of the costs of issuance of the Bonds and related costs.

Section 10. The Mayor and the 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 Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about December 15, 2020, to the Purchaser.

Section 11. The issuance of the Series 2020 A Bonds and the refunding of the Series 2010 A Bonds with the proceeds of the Series 2020 A Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Series 2020 A Bonds.

Section 13. The Tax Compliance Policy attached hereto as Exhibit A is hereby approved.

Section 14. The Mayor and Recorder, and all other appropriate officers and employees of the Issuer are hereby authorized, empowered and directed to do any and all things proper and necessary to cause the Series 2020 A Bonds to be duly and properly issued by the Issuer and delivered to the Original Lender as herein authorized and to otherwise facilitate the transaction contemplated by this Supplemental Resolution, and no further authority shall be necessary to authorize any such officers or employees to give such further assurance and do such further acts as may be legally required.

Section 15. This Supplemental Resolution shall be effective immediately following adoption hereof.

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Adopted this 8th day of December, 2020.

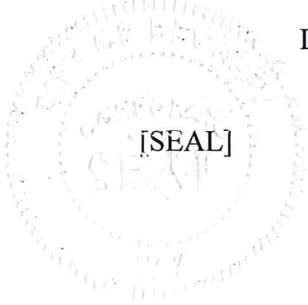
CITY OF BECKLEY

By: 
Its: Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Beckley on the 8th day of December, 2020.

Dated: December 15, 2020.



A handwritten signature in blue ink, appearing to read "B. C. [unclear]", written over a horizontal line.

Recorder

Exhibit A

TAX COMPLIANCE POLICIES

TAX COMPLIANCE POLICIES

City of Beckley

Purpose

Issuers of tax-exempt bonds must comply with federal tax rules pertaining to expenditure of proceeds for qualified costs, rate of expenditure, use of bond financed property, investment of proceeds in compliance with arbitrage rules, and retention of records. The following policies are intended to establish compliance by the City of Beckley (the “*Issuer*”) with these rules in connection with the issuance of the Issuer’s Stormwater Refunding Revenue Bonds, Series 2020 A (the “*Tax-Exempt Bonds*”).

Tax Requirements Associated with Sale and Issuance of Bonds

Review and retention of tax documents related to the sale and issuance of Bonds will be supervised by the Mayor of the Issuer or his/her designee (the “*Oversight Officer*”).

- Form 8038-G (tax exempt bonds) will be reviewed and filed not later than the 15th day of the 2nd calendar month following the quarter in which the bonds were issued. Filing of appropriate version or versions of Form 8038-G will be confirmed with bond counsel.

Expenditure of Proceeds for Qualified Costs

Expenditure of bond proceeds will be reviewed by the Oversight Officer.

- Bond proceeds will be disbursed pursuant to an approved form of requisition stating the date, amount and purpose of the disbursement.
- Requisitions must identify the financed property and certify as to the character and average economic life of the bond-financed property.
- Requisitions for costs that were paid prior to the issuance of the bonds are, in general, limited to costs paid subsequent to, or not more than 60 days prior to, the date a “declaration of intent” to reimburse the costs was adopted by the Issuer. If proceeds are used for reimbursement, a copy of the declaration will be obtained and included in the records for the Tax-Exempt Bonds, if not already part of the bond transcript.

- Requisitions will be summarized in a “final allocation” of proceeds to uses not later than 18 months after the in-service date of the financed property (and in any event not later than 5 years and 60 days after the issuance of the Tax-Exempt Bonds).
- Expenditure of proceeds will be monitored against the expectations to spend or commit 5% of net sale proceeds within 6 months, to spend 85% of net sale proceeds within 3 years, and to proceed with due diligence to complete the project and fully spend the net sale proceeds. Expected expenditure schedules, project timelines, and plans and specifications will be maintained to support expectations. Reasons for failure to meet the expected schedule will be documented and retained in the records for the Tax-Exempt Bonds.
- If the 18-month spending exception to rebate applies, expenditure of gross proceeds will be monitored against the following schedule for the arbitrage rebate exception for the issue, if applicable:

15% within 6 months
60% within 12 months
100% within 18 months

- If the 2-year spending exception to rebate applies, expenditure of “available proceeds” will be monitored against the following schedule for the arbitrage rebate exception for construction issues if applicable:

10% within 6 months
45% within 12 months
75% within 18 months
100% within 24 months

Expenditure of Proceeds

In addition to the general review of expenditures described above, expenditure of proceeds of the Tax-Exempt Bonds will be reviewed by the Oversight Officer.

- Only a small portion (5%) of the proceeds of Tax-Exempt Bonds can be used for operating expenses or other “working capital” costs. Requisitions for costs of the Project will accordingly be monitored to confirm that they are for capital costs of the Project.

- Investment earnings on sale proceeds of the Tax-Exempt Bonds will be tracked and will be requisitioned only for appropriate expenditures.

Use of Bond-Financed Property

Use of bond-financed property when completed and placed in service will be reviewed by the Oversight Officer.

- Average nonexempt use of bond-financed property over the life of the issue cannot exceed 10% of the proceeds.
- Agreements with business users or non-profit organizations for lease or management or services contracts, sponsored research, naming rights or any other potential nonexempt use of bond-financed property will be reviewed prior to execution of any contract to determine if property is bond-financed.
- Agreements with business users or other non-profit organizations for lease or management or services contracts or other private business use involving bond-financed property will be tracked and aggregated with other private business uses for compliance with the 10% limit.
- No item of bond-financed property will be sold or transferred to a nonexempt party without advance arrangement of a “remedial action” under the applicable Income Tax Regulations.

Investments and IRS Filings

Investment of bond proceeds in compliance with the arbitrage bond rules and rebate of arbitrage will be supervised by the Oversight Officer.

- Guaranteed investment contracts (“GIC”) will be purchased only using the three-bid “safe harbor” of applicable Income Tax Regulations, in compliance with fee limitations on GIC brokers in the Income Tax Regulations.
- Other investments will be purchased only in market transactions.
- Calculations of rebate liability will be performed annually by outside consultants.
- Rebate payments will be made with Form 8038-T no later than 60 days after (a) each fifth anniversary of the date of issuance and (b) the

final retirement of the issue. Compliance with rebate requirements will be reported to the bond trustee and the issuer.

- Identify date for first rebate payment at time of issuance. Enter in records for the issue.

Records

Management and retention of records related to tax-exempt bond issues will be supervised by the Oversight Officer.

- Records will be retained for the life of the bonds plus any refunding bonds plus three years. Records may be in the form of documents or electronic copies of documents, appropriately indexed to specific bond issues and compliance functions.
- Retainable records pertaining to the Tax-Exempt Bonds include transcript of documents executed in connection with the issuance of the bonds (including authorizing resolutions, and Form 8038-G) and any amendments, and copies of rebate calculations and records of payments, including Forms 8038-T.
- Retainable records pertaining to expenditures of bond proceeds include requisitions, trustee statements and final allocation of proceeds.
- Retainable records pertaining to use of property include all agreements reviewed for nonexempt use.
- Retainable records pertaining to investments include GIC documents under the Income Tax Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

[Remainder of Page Intentionally Blank]

Overall Responsibility

Overall administration and coordination of this policy is the responsibility of the Oversight Officer.

CITY OF BECKLEY

Title: Mayor

Exhibit B

DEBT SERVICE SCHEDULE

AMORTIZATION SCHEDULE

Principal	Loan Date	Maturity	Loan No	Call/Coll	Account	Officer	Initials
\$1,212,000.00	12-15-2020	01-01-2031	5268172	018/10			
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Borrower: CITY OF BECKLEY- BECKLEY SANITARY BOARD
(TIN: 55-6000144)
301 SOUTH HEBER STREET
BECKLEY, WV 25802

Lender: City National Bank of West Virginia
Park Avenue Branch
One Park Avenue
Beckley, WV 25801
(304) 255-7294

Disbursement Date: December 15, 2020
Interest Rate: 1.950

Repayment Schedule: Installment
Calculation Method: 365/360 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	02-01-2021	11,149.93	3,151.20	7,998.73	1,204,001.27
2	03-01-2021	11,149.93	1,826.07	9,323.86	1,194,677.41
3	04-01-2021	11,149.93	2,006.06	9,143.87	1,185,533.54
4	05-01-2021	11,149.93	1,926.49	9,223.44	1,176,310.10
5	06-01-2021	11,149.93	1,975.22	9,174.71	1,167,135.39
6	07-01-2021	11,149.93	1,896.60	9,253.33	1,157,882.06
7	08-01-2021	11,149.93	1,944.28	9,205.65	1,148,676.41
8	09-01-2021	11,149.93	1,928.82	9,221.11	1,139,455.30
9	10-01-2021	11,149.93	1,861.61	9,288.32	1,130,166.98
10	11-01-2021	11,149.93	1,897.72	9,252.21	1,120,904.77
11	12-01-2021	11,149.93	1,821.47	9,328.46	1,111,576.31
2021 TOTALS:		122,649.23	22,225.54	100,423.69	
12	01-01-2022	11,149.93	1,866.52	9,283.41	1,102,292.90
13	02-01-2022	11,149.93	1,850.93	9,299.00	1,092,993.90
14	03-01-2022	11,149.93	1,667.71	9,482.22	1,083,501.68
15	04-01-2022	11,149.93	1,819.38	9,330.55	1,074,171.13
16	05-01-2022	11,149.93	1,745.53	9,404.40	1,064,766.73
17	06-01-2022	11,149.93	1,787.92	9,362.01	1,055,404.72
18	07-01-2022	11,149.93	1,716.03	9,434.90	1,045,969.82
19	08-01-2022	11,149.93	1,756.36	9,393.57	1,036,576.25
20	09-01-2022	11,149.93	1,740.58	9,409.35	1,027,166.90
21	10-01-2022	11,149.93	1,669.15	9,480.78	1,017,686.12
22	11-01-2022	11,149.93	1,708.86	9,441.07	1,008,245.05
23	12-01-2022	11,149.93	1,638.40	9,511.53	998,733.52
2022 TOTALS:		133,799.16	20,956.37	112,842.79	
24	01-01-2023	11,149.93	1,677.04	9,472.89	989,260.63
25	02-01-2023	11,149.93	1,661.13	9,488.80	979,771.83
26	03-01-2023	11,149.93	1,485.99	9,663.94	970,107.89
27	04-01-2023	11,149.93	1,626.97	9,522.96	960,586.93
28	05-01-2023	11,149.93	1,560.95	9,588.98	950,997.95
29	06-01-2023	11,149.93	1,596.88	9,553.05	941,444.90
30	07-01-2023	11,149.93	1,529.85	9,620.08	931,824.82
31	08-01-2023	11,149.93	1,564.69	9,585.24	922,239.58
32	09-01-2023	11,149.93	1,548.59	9,601.34	912,638.24
33	10-01-2023	11,149.93	1,483.04	9,666.89	902,971.35
34	11-01-2023	11,149.93	1,516.24	9,633.69	893,337.66
35	12-01-2023	11,149.93	1,451.67	9,698.26	883,639.40
2023 TOTALS:		133,799.16	18,705.04	115,094.12	
36	01-01-2024	11,149.93	1,483.78	9,666.15	873,973.25
37	02-01-2024	11,149.93	1,467.55	9,682.38	864,290.87
38	03-01-2024	11,149.93	1,357.66	9,792.27	854,498.60
39	04-01-2024	11,149.93	1,434.85	9,715.08	844,783.52
40	05-01-2024	11,149.93	1,372.77	9,777.16	835,006.36
41	06-01-2024	11,149.93	1,402.11	9,747.82	825,258.54
42	07-01-2024	11,149.93	1,341.05	9,808.88	815,449.66
43	08-01-2024	11,149.93	1,369.28	9,780.65	805,669.01
44	09-01-2024	11,149.93	1,352.85	9,797.08	795,871.93
45	10-01-2024	11,149.93	1,293.29	9,856.64	786,015.29
46	11-01-2024	11,149.93	1,319.85	9,830.08	776,185.21
47	12-01-2024	11,149.93	1,261.30	9,888.63	766,296.58
2024 TOTALS:		133,799.16	16,456.34	117,342.82	
48	01-01-2025	11,149.93	1,286.74	9,863.19	756,433.39
49	02-01-2025	11,149.93	1,270.18	9,879.75	746,553.64
50	03-01-2025	11,149.93	1,132.27	10,017.66	736,535.98
51	04-01-2025	11,149.93	1,236.77	9,913.16	726,622.82

AMORTIZATION SCHEDULE (Continued)

52	05-01-2025	11,149.93	1,180.76	9,969.17	716,653.65
53	06-01-2025	11,149.93	1,203.38	9,765.55	706,707.10
54	07-01-2025	11,149.93	1,148.40	10,001.53	696,705.67
55	08-01-2025	11,149.93	1,169.88	9,830.65	686,725.52
56	09-01-2025	11,149.93	1,163.13	9,996.80	676,728.72
57	10-01-2025	11,149.93	1,099.68	10,050.25	666,678.47
58	11-01-2025	11,149.93	1,119.46	10,030.47	656,648.00
59	12-01-2025	11,149.93	1,067.05	10,082.88	646,565.12
2025 TOTALS:		133,799.16	14,067.70	119,731.46	
60	01-01-2026	11,149.93	1,085.69	10,064.24	636,500.88
61	02-01-2026	11,149.93	1,068.79	10,081.14	626,419.74
62	03-01-2026	11,149.93	950.07	10,199.86	616,219.88
63	04-01-2026	11,149.93	1,034.74	10,115.19	606,104.69
64	05-01-2026	11,149.93	984.92	10,165.01	595,939.68
65	06-01-2026	11,149.93	1,000.88	10,149.25	585,790.43
66	07-01-2026	11,149.93	951.91	10,198.02	575,592.41
67	08-01-2026	11,149.93	966.52	10,183.41	565,409.00
68	09-01-2026	11,149.93	949.42	10,200.51	555,208.49
69	10-01-2026	11,149.93	902.21	10,247.72	544,960.77
70	11-01-2026	11,149.93	915.08	10,234.85	534,726.92
71	12-01-2026	11,149.93	868.93	10,281.00	524,444.92
2026 TOTALS:		133,799.16	11,678.95	122,120.20	
72	01-01-2027	11,149.93	880.63	10,269.30	514,175.62
73	02-01-2027	11,149.93	863.39	10,286.54	503,889.08
74	03-01-2027	11,149.93	764.23	10,385.70	493,503.38
75	04-01-2027	11,149.93	828.67	10,321.26	483,182.12
76	05-01-2027	11,149.93	785.17	10,364.76	472,817.36
77	06-01-2027	11,149.93	793.94	10,355.99	462,461.37
78	07-01-2027	11,149.93	751.50	10,398.43	452,062.94
79	08-01-2027	11,149.93	759.09	10,390.84	441,672.10
80	09-01-2027	11,149.93	741.64	10,408.29	431,263.81
81	10-01-2027	11,149.93	700.80	10,449.13	420,814.68
82	11-01-2027	11,149.93	706.62	10,443.31	410,371.37
83	12-01-2027	11,149.93	666.85	10,483.08	399,888.29
2027 TOTALS:		133,799.16	9,242.53	124,556.63	
84	01-01-2028	11,149.93	671.48	10,478.45	389,409.84
85	02-01-2028	11,149.93	653.88	10,495.05	378,913.79
86	03-01-2028	11,149.93	595.21	10,554.72	368,359.07
87	04-01-2028	11,149.93	618.54	10,531.39	357,827.68
88	05-01-2028	11,149.93	581.47	10,568.46	347,259.22
89	06-01-2028	11,149.93	583.11	10,566.82	336,692.40
90	07-01-2028	11,149.93	547.13	10,602.80	326,089.60
91	08-01-2028	11,149.93	547.56	10,602.37	315,487.23
92	09-01-2028	11,149.93	529.76	10,620.17	304,867.06
93	10-01-2028	11,149.93	495.41	10,654.52	294,212.54
94	11-01-2028	11,149.93	494.03	10,655.90	283,556.64
95	12-01-2028	11,149.93	460.78	10,689.15	272,867.49
2028 TOTALS:		133,799.16	6,778.35	127,020.80	
96	01-01-2029	11,149.93	458.19	10,691.74	262,175.75
97	02-01-2029	11,149.93	440.24	10,709.69	251,466.06
98	03-01-2029	11,149.93	381.39	10,768.54	240,697.52
99	04-01-2029	11,149.93	404.17	10,745.76	229,951.76
100	05-01-2029	11,149.93	373.87	10,776.26	219,176.50
101	06-01-2029	11,149.93	368.03	10,781.90	208,393.60
102	07-01-2029	11,149.93	338.64	10,811.29	197,582.31
103	08-01-2029	11,149.93	331.77	10,818.16	186,764.15
104	09-01-2029	11,149.93	313.61	10,836.32	175,927.83
105	10-01-2029	11,149.93	285.88	10,864.05	165,063.78
106	11-01-2029	11,149.93	277.17	10,872.76	154,191.02
107	12-01-2029	11,149.93	250.56	10,899.37	143,291.65
2029 TOTALS:		133,799.16	4,223.32	129,575.84	
108	01-01-2030	11,149.93	240.61	10,909.32	132,382.33
109	02-01-2030	11,149.93	222.29	10,927.64	121,454.69
110	03-01-2030	11,149.93	184.21	10,965.72	110,488.97
111	04-01-2030	11,149.93	185.53	10,964.40	99,524.57
112	05-01-2030	11,149.93	161.73	10,988.20	88,536.37
113	06-01-2030	11,149.93	148.67	11,001.26	77,535.11
114	07-01-2030	11,149.93	125.99	11,023.94	66,511.17
115	08-01-2030	11,149.93	111.68	11,038.26	55,472.92
116	09-01-2030	11,149.93	93.15	11,056.78	44,416.14
117	10-01-2030	11,149.93	72.18	11,077.75	33,338.39

AMORTIZATION SCHEDULE **(Continued)**

Loan No: 5268172

Page 3

118	11-01-2030	11,149.93	66.98	11,093.95	22,244.44
119	12-01-2030	11,149.93	36.15	11,113.78	11,130.66
2030 TOTALS:		133,799.16	1,638.17	132,160.99	
120	01-01-2031	11,149.35	18.69	11,130.66	0.00
2031 TOTALS:		11,149.35	18.69	11,130.66	
TOTALS:		1,337,991.02	125,991.02	1,212,000.00	

NOTICE: This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.

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CITY OF BECKLEY

Stormwater Refunding Revenue Bonds, Series 2020 A

CROSS-RECEIPT FOR BOND AND BOND PROCEEDS

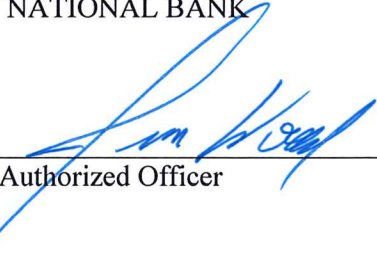
The undersigned authorized representative of City National Bank, Beckley, West Virginia (the "Purchaser"), and the undersigned Mayor of the City of Beckley (the "Issuer"), hereby certify this 15th day of December, 2020 as follows:

1. On December 15, 2020, at Beckley, West Virginia, the Purchaser received the City of Beckley Stormwater Refunding Revenue Bonds, Series 2020 A, No. AR-1 (the "Bonds"), issued as a single Bond in the principal amount of \$1,212,000, dated December 15, 2020. The Bonds represent the entire above-captioned Bond issue.
2. At the time of such receipt, the Bonds had been executed and sealed by the designated officials of the Issuer.
3. The Issuer has received and hereby acknowledges receipt from the Purchaser of the sum of \$1,212,000, being the entire advance of principal amount of the Bonds.
4. This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same document.

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WITNESS our respective signatures dated the day and year first written above.

CITY NATIONAL BANK

By: 
Its: Authorized Officer

CITY OF BECKLEY

By: 
Its: Mayor

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BECKLEY
STORMWATER REFUNDING REVENUE BONDS, SERIES 2020 A

No. AR-1

\$1,212,000

KNOW ALL MEN BY THESE PRESENTS: This 15th day of December, 2020, that the City of Beckley, a municipal corporation and political subdivision of the State of West Virginia in Raleigh County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the sources and in the manner hereinafter set forth, to the order of:

(CITY NATIONAL BANK)

or registered assigns (the "Registered Owner"), the principal sum of ONE MILLION TWO HUNDRED TWELVE THOUSAND DOLLARS (\$1,212,000) or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference together with and principal and interest payments of \$11,149.93 payable monthly beginning February 1, 2021 to and including January 1, 2031, as set forth in the "Amortization Schedule" attached as EXHIBIT B hereto and incorporated herein by reference, at the rates per annum set forth as follows:

A. Interest on this Bond shall be payable at the rate of 1.95% 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 2.25% 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 the West Virginia Municipal Bond Commission, Charleston, West Virginia as Paying Agent.

Redemption in whole or in part may be made on any date prior to final maturity.

This Bond is issued (i) to refund the Issuer's Series 2010 A Bonds; and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public stormwater system of the Issuer and any further additions, betterments or improvements 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"), a Bond Ordinance duly enacted by the Issuer on November 24, 2020, and a Supplemental Resolution duly adopted by the Issuer on December 8, 2020 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, provided however, that so long as there exists in any respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

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.

This Bond is, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, except inheritance, estate and transfer taxes.

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

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

IN WITNESS WHEREOF, the CITY OF BECKLEY 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 the day and year first written above

[SEAL]

ATTEST

Recorder

Mayor

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2020 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: December 15, 2020.

CITY NATIONAL BANK
as Registrar


Authorized Officer

EXHIBIT A
RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$1,212,000	12/15/2020	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	
TOTAL \$			

EXHIBIT A

AMORTIZATION SCHEDULE

AMORTIZATION SCHEDULE

Principal	Loan Date	Maturity	Loan No	Gal/Cd	Account	Officer	Initials
\$1,212,000.00	12-15-2020	01-01-2031	5268172	018/10			
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing **** has been omitted due to text length limitations.							

Borrower: CITY OF BECKLEY - BECKLEY SANITARY BOARD
(ITIN: 55-6000144)
301 SOUTH HEBER STREET
BECKLEY, WV 25802

Lender: City National Bank of West Virginia
Park Avenue Branch
One Park Avenue
Beckley, WV 25801
(304) 255-7294

Disbursement Date: December 15, 2020
Interest Rate: 1.950

Repayment Schedule: Installment
Calculation Method: 365/360 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	02-01-2021	11,149.93	3,151.20	7,998.73	1,204,001.27
2	03-01-2021	11,149.93	1,826.07	9,323.86	1,194,677.41
3	04-01-2021	11,149.93	2,008.06	9,141.87	1,185,535.54
4	05-01-2021	11,149.93	1,925.49	9,223.44	1,176,310.10
5	06-01-2021	11,149.93	1,975.22	9,174.71	1,167,135.39
6	07-01-2021	11,149.93	1,896.60	9,253.33	1,157,882.06
7	08-01-2021	11,149.93	1,944.28	9,205.65	1,148,676.41
8	09-01-2021	11,149.93	1,928.82	9,221.11	1,139,455.30
9	10-01-2021	11,149.93	1,861.61	9,288.32	1,130,166.98
10	11-01-2021	11,149.93	1,897.72	9,252.21	1,120,904.77
11	12-01-2021	11,149.93	1,821.47	9,328.46	1,111,576.31
2021 TOTALS:		122,649.23	22,225.54	100,423.69	
12	01-01-2022	11,149.93	1,885.52	9,263.41	1,102,292.90
13	02-01-2022	11,149.93	1,850.93	9,299.00	1,092,993.90
14	03-01-2022	11,149.93	1,667.71	9,482.22	1,083,501.68
15	04-01-2022	11,149.93	1,819.38	9,330.55	1,074,171.13
16	05-01-2022	11,149.93	1,745.53	9,404.40	1,064,766.73
17	06-01-2022	11,149.93	1,787.92	9,362.01	1,055,404.72
18	07-01-2022	11,149.93	1,716.03	9,434.90	1,045,969.82
19	08-01-2022	11,149.93	1,756.36	9,393.57	1,038,576.25
20	09-01-2022	11,149.93	1,740.58	9,409.35	1,027,166.90
21	10-01-2022	11,149.93	1,669.15	9,480.78	1,017,686.12
22	11-01-2022	11,149.93	1,708.88	9,441.07	1,008,245.05
23	12-01-2022	11,149.93	1,638.40	9,511.53	998,733.52
2022 TOTALS:		133,799.16	20,956.37	112,842.79	
24	01-01-2023	11,149.93	1,677.04	9,472.89	989,260.63
25	02-01-2023	11,149.93	1,661.13	9,488.80	979,771.83
26	03-01-2023	11,149.93	1,485.99	9,663.94	970,107.89
27	04-01-2023	11,149.93	1,628.97	9,520.96	960,586.93
28	05-01-2023	11,149.93	1,560.95	9,588.98	950,997.95
29	06-01-2023	11,149.93	1,596.88	9,553.05	941,444.90
30	07-01-2023	11,149.93	1,529.85	9,620.08	931,824.82
31	08-01-2023	11,149.93	1,564.69	9,585.24	922,239.58
32	09-01-2023	11,149.93	1,548.59	9,601.34	912,638.24
33	10-01-2023	11,149.93	1,483.04	9,666.89	902,971.35
34	11-01-2023	11,149.93	1,516.24	9,633.69	893,337.66
35	12-01-2023	11,149.93	1,451.67	9,698.26	883,639.40
2023 TOTALS:		133,799.16	18,705.04	115,094.12	
36	01-01-2024	11,149.93	1,483.78	9,666.15	873,973.25
37	02-01-2024	11,149.93	1,467.55	9,682.38	864,290.87
38	03-01-2024	11,149.93	1,357.66	9,792.27	854,498.60
39	04-01-2024	11,149.93	1,434.85	9,715.08	844,783.52
40	05-01-2024	11,149.93	1,372.77	9,777.16	835,006.36
41	06-01-2024	11,149.93	1,402.11	9,747.82	825,258.54
42	07-01-2024	11,149.93	1,341.05	9,808.88	815,449.66
43	08-01-2024	11,149.93	1,369.28	9,780.65	805,669.01
44	09-01-2024	11,149.93	1,352.85	9,797.08	795,871.93
45	10-01-2024	11,149.93	1,293.29	9,856.64	786,015.29
46	11-01-2024	11,149.93	1,319.85	9,830.08	776,185.21
47	12-01-2024	11,149.93	1,261.90	9,888.03	766,296.58
2024 TOTALS:		133,799.16	16,456.34	117,342.82	
48	01-01-2025	11,149.93	1,286.74	9,863.19	756,433.39
49	02-01-2025	11,149.93	1,270.18	9,879.75	746,553.64
50	03-01-2025	11,149.93	1,132.27	10,017.66	736,535.98
51	04-01-2025	11,149.93	1,236.77	9,813.16	726,622.82

WEST VIRGINIA MUNICIPAL BOND COMMISSION

900 Pennsylvania Avenue, Suite 1117, Charleston, WV 25302

Phone: (304) 558-3971

FAX: (304) 558-1280

mbc.wv.gov

NEW ISSUE REPORT FORM

Date of Report: 12/15/2020

ISSUE: City of Beckley Stormwater Refunding Revenue Bonds, Series 2020 A (City National Bank)ADDRESS: PO Box 2514 Beckley WV 25802COUNTY: RaleighPURPOSE OF ISSUE: New Money x RefundingRefunding issue(s) dated: 12/15/2010ISSUE DATE: December 15, 2020RATE: 1.95%ADMIN FEE: ISSUE AMOUNT: \$1,212,0001st DEBT SERVICE DUE: 2/1/20211st PRINCIPAL DUE: 2/1/20211st DEBT SERVICE AMOUNT: \$ 11,149.93PAYING AGENT: MBC BOND COUNSEL: Step toe & Johnson PLLCUNDERWRITERS COUNSEL: Contact Name: John StumpContact Name: Phone: 304.353.8196Phone: Email: john.stump@step toe-johnson.comEmail: CLOSING BANK: City National BankESCROW TRUSTEE: Contact Name: Jim WoodContact Name: Phone: 304.255.7310Phone: Email: James.WoodJr@bankatcity.comEmail:

KNOWLEDGEABLE ISSUER CONTACT:

OTHER: City National BankContact Name: Jeremiah JohnsonContact Name: Jim WoodTitle: SB DirectorTitle: SVPPhone: 304.256.1760Phone: 304.255.7310Email: jjohnson@beckleysanitaryboard.orgEmail: James.WoodJr@bankatcity.comDEPOSITS TO MBC AT CLOSE: Accrued Interest: By: Wire xCapitalized Interest: In-house Transfer Reserve Account: In-house Transfer Other: Payoff 2010 \$1,190,118.85

REFUNDS & TRANSFERS BY MBC AT CLOSE:

To Escrow Trustee: By: WireTo Issuer: Check To Cons.Invest Fund: IGT x

\$13,394.28

To Other: Payoff 2010

ISSUER NUMBERS:

BANK ID NUMBER: CUSIP: ACCOUNT NUMBER: PROGRAM NUMBER: NOTES: Series 2020 A Bonds Reserve Account is not required.

FOR MUNIICPAL BOND COMMISSION USE ONLY:

Documents Required: Transfers Required:

SWEEP RESOLUTION

WHEREAS, the City of Beckley (the "Issuer") is a governmental body and political subdivision of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the "Bonds");

WHEREAS, the Issuer makes monthly debt service payments on the Bonds by check to the West Virginia Municipal Bond Commission (the "MBC") which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

WHEREAS, the MBC may accept such monthly payments by electronic funds transfer thereby eliminating delay in payments and lost checks;

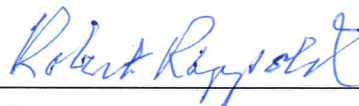
WHEREAS, Pursuant to Chapter 13, Article 3, Section 5a, the MBC has established fees for its services (the "MBC Fee");

WHEREAS, the Issuer find and determines that it is in the best interest of the Issuer, its citizens and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic transfer with the State Treasurer sweeping the Issuer's account.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

- 1) The monthly debt service payments on the Bonds, as set forth in Exhibit A, along with the MBC Fee, shall be made to the MBC by electronic transfer by the State Treasurer from the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.
- 2) The Mayor and Recorder are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.
- 3) This resolution shall be effective immediately upon adoption.

Adopted this 8th day of December, 2020.



Mayor



Recorder