

**CITY OF BENWOOD
SEWER REVENUE BONDS, SERIES 2017 A
(WEST VIRGINIA SRF PROGRAM); AND
SEWER REVENUE BONDS, SERIES 2017 B
(WEST VIRGINIA SRF PROGRAM/FORGIVABLE)**

BOND ORDINANCE

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CITY OF BENWOOD

BOND ORDINANCE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF BENWOOD AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$2,775,400 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2017 A (WEST VIRGINIA SRF PROGRAM); AND NOT MORE THAN \$1,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2017 B (WEST VIRGINIA SRF PROGRAM/FORGIVABLE) PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF BENWOOD:

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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the “Act”), and other applicable provisions of law.

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

A. The City of Benwood (the “Issuer”) is a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State.

B. The Issuer deems it necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be constructed additions, betterments and improvements to its existing public sewerage system, consisting of installation of approximately 9,120 linear feet of various sized sanitary sewer lines; approximately 256 linear feet of encased pipe crossing; approximately 865 linear feet of various sized storm drains; and manholes and all necessary appurtenances (collectively, the

“Project”) (the Project and any further extensions, additions, betterments and improvements thereto are herein called the “System”), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Clerk of the Issuer.

C. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds, in the total aggregate principal amount of not more than \$3,775,400 in two or more series, initially planned to be the (i) Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), in the total aggregate principal amount of not more than \$2,775,400 (the “Series 2017 A Bonds”); and (ii) Sewer Revenue Bonds, Series 2017 B (West Virginia SRF Program/Forgivable), in the total aggregate principal amount of not more than \$1,000,000 (the “Series 2017 B Bonds”), (collectively, the “Series 2017 Bonds”), to permanently finance the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefore and eligible under the SRF Program; amounts which may be deposited in the Series 2017 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; fees and expenses of the Authority, including the SRF Administrative Fee (as hereafter defined); discount; initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2017 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; the acquisition or construction of the Project and the placing of same in operation; and the performance of the things herein required or permitted, in connection with any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2017 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

E. It is in the best interests of the Issuer that its Series 2017 Bonds be sold to the Authority pursuant to the terms and provisions of a Bond Purchase Agreement by and among the Issuer, the Authority and the West Virginia Department of Environmental Protection (the “DEP”), in form satisfactory to the Issuer, the Authority, and the DEP (the “Bond Purchase Agreement”), to be approved hereby if not previously approved by resolution of the Issuer.

F. The Issuer will have the following Outstanding obligations which will rank on a parity with the Series 2017 A Bonds as to liens, pledge, source of and security for payment, being the Issuer’s:

(i) Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated December 20, 2000, issued in the original aggregate principal amount of \$318,300 (the “Series 2000 A Bonds”); and

(ii) Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), dated December 20, 2000, issued in the original aggregate principal amount of \$245,600 (the “Series 2000 B Bonds”), (collectively, the “Prior Bonds”).

The Series 2017 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all respects. Prior to the issuance of the Series 2017 Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met, and (ii) the written consent of the Holders of the Prior Bonds, to the issuance of the Series 2017 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no Outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with the covenants of the Prior Bonds and the Prior Ordinances.

G. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System, the principal of and interest on the Bonds (as hereinafter defined) and to make all payments into all funds, accounts and other payments provided for herein.

H. The Issuer has complied with all requirements of West Virginia law and the Bond Purchase Agreement relating to authorization of the acquisition and construction of the Project and the operation of the System and issuance of the Series 2017 Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a certificate of public convenience and necessity from the Public Service Commission of West Virginia.

I. Pursuant to the Act, the Issuer has heretofore established a Sanitary Board, and the Sanitary Board has petitioned the Governing Body to issue the Series 2017 Bonds for the purposes set forth herein.

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

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2017 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 Registered Owners of any and all of such Series 2017 Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

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

“Authority” means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2017 Bonds, or any other agency, board

or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the DEP under the Act.

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

“Board” means the Sanitary Board of the Issuer.

“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 Purchase Agreement” means the Bond Purchase Agreement heretofore entered into, or to be entered into, by and among the Issuer, the Authority and the DEP, providing for the purchase of the Series 2017 Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

“Bond 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 2017 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.

“Clerk” means the Clerk or Assistant Clerk of the Issuer.

“Closing Date” means the date upon which there is an exchange of the Series 2017 Bonds for all or a portion of the proceeds of the Series 2017 Bonds from the Authority and the DEP.

“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.

“Completion Date” means the completion date of the Project, as defined in the SRF Regulations.

“Consulting Engineers” means Burgess & Niple, Parkersburg, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System, or portion thereof, in accordance with Chapter 5G,

Article 1 of the West Virginia Code of 1931, as amended; provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

“Costs” or “Costs of the Project” means those costs described in Section 1.02C hereof to be a part of the cost of acquisition and construction of the Project as described in Section 1.02B hereof.

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

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

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

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

“Governing Body” means the Board of Directors 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.

“Issuer” means the City of Benwood, a municipal corporation and political subdivision of the State of West Virginia, in Marshall 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 2017 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2017 A Bonds Reserve Account.

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

“Operating Expenses” means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the Costs, the SRF Administrative Fee, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and the Paying Agent (all as herein defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that “Operating Expenses” does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

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

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

“Paying Agent” means the Commission or other entity or authority designated as a Paying Agent by the Issuer in the Supplemental Resolution, with the written consent of the Authority.

"Prior Bonds" means the Series 2000 A Bonds and Series 2000 B Bonds.

“Prior Ordinances” means the ordinances authorizing the Prior Bonds.

“Project” means the Project as described in Section 1.02B hereof.

“Qualified Investments” means and includes any of the following:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

(c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for

Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

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

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

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

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

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

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

“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 established by Prior Ordinances and continued hereby.

“Reserve Accounts” means, collectively, the reserve account established by Section 5.02 hereof for the Series 2017 A Bonds and the reserve accounts established for the Prior Bonds pursuant to the Prior Ordinances.

“Reserve Requirement” means collectively, the respective amounts required to be on deposit in any Reserve Account pursuant to this Ordinance and the Prior Ordinances.

“Revenue Fund” means the Revenue Fund established by Prior Ordinances and continued hereby.

“Series 2000 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated December 20, 2000, issued in the original aggregate principal amount of \$318,300.

“Series 2000 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), dated December 20, 2000, issued in the original aggregate principal amount of \$245,600.

“Series 2017 A Bonds” means the Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), of the Issuer, authorized by this Bond Legislation.

“Series 2017 A Bonds Reserve Account” means the Series 2017 A Bonds Reserve Account established by Section 5.02 hereof.

“Series 2017 A Bonds Reserve Requirement” means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2017 A Bonds in the then current or any succeeding year.

“Series 2017 A Bonds Sinking Fund” means the Series 2017 A Bonds Sinking Fund established by Section 5.02 hereof.

“Series 2017 B Bonds” means the Sewer Revenue Bonds, Series 2017 B (West Virginia SRF Program/Forgivable), of the Issuer, authorized by this Bond Legislation.

“Series 2017 Bonds Construction Trust Fund” means the Series 2017 Bonds Construction Trust Fund established by Section 5.01 hereof.

"Sinking Funds" means, collectively, the respective sinking funds established for the Prior Bonds and the Series 2017 A Bonds.

"SRF Administrative Fee" means any administrative fee required to be paid pursuant to the Bond Purchase Agreement.

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

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

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, 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 2017 Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2017 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 Renewal and Replacement Fund, the Sinking Funds and the Reserve Accounts.

"System" means, collectively, the complete existing municipal sewage treatment and collection system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Project and any and all additions, betterments and improvements thereto hereafter acquired or constructed for the System from any sources whatsoever, both within and without the Issuer.

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

Additional terms and phrases are defined in this 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 ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost not to exceed \$3,775,400 in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2017 Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received or will receive bids and will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the DEP.

The Cost of the Project is estimated not to exceed \$3,775,400, of which approximately \$2,775,400 will be obtained from the proceeds of the Series 2017 A Bonds, approximately AND \$1,000,000 will be obtained from the proceeds of the Series 2017 B Bonds.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of paying the Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2017 Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2017 Bonds of the Issuer. The Series 2017 Bonds shall be issued in two series, each as a single bond, designated respectively as "Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program)", in the principal amount of not more than \$2,775,400, and "Sewer Revenue Bonds, Series 2017 B (West Virginia SRF Program/Forigivable)," in the principal amount of not more than \$1,000,000; and all shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2017 Bonds remaining after funding of the Reserve Accounts (if funded from Bond proceeds) and capitalization of interest, if any, shall be deposited in or credited to the Series 2017 Bonds Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. A. The Series 2017 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Bond Purchase Agreement. The Series 2017 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, if any, on the Series 2017 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 Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2017 A Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2017 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

B. The Series 2017 B Bonds shall be issued in such principal amount and shall not bear interest. The principal amounts advanced under the Series 2017 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2017 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven.

Unless otherwise provided by the Supplemental Resolution, the Series 2017 B Bonds shall initially be issued as one series, fully registered to the Authority, with a record of advances attached, representing the aggregate principal amount of the Series 2017 B Bonds. The Series 2017 B Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2017 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 Clerk. In case any one or more of the officers who shall have signed or sealed the Series 2017 Bonds shall cease to be such officer of the Issuer before the Series 2017 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 2017 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 2017 Bonds 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 2017 Bonds 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 2017 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 2017 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 2017 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 2017 Bonds.

The registered Series 2017 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 or transferring the registered Series 2017 Bonds are exercised, all Series 2017 Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2017 Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 2017 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 2017 Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2017 Bonds or, in the case of any proposed redemption of Series 2017 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 2017 Bonds 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 2017 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 such Series 2017 A Bonds 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 2017 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2017 Bonds or the interest, if any, thereon.

Section 3.08. Series 2017 A Bonds Secured by Pledge of Net Revenues. A. The payment of the debt service on the Series 2017 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the operation of the System on a parity with the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2017 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.

B. The principal amounts of the Series 2017 B Bonds advanced will be deemed forgiven on the 30th day of June of the Fiscal Year in which advanced. The Series 2017 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven. The Series 2017 B Bonds are not secured by the Net Revenues or Gross Revenues of the System.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2017 Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2017 Bonds to the original purchasers upon receipt of the documents set forth below:

- A. If other than the Authority, a list of the names in which the Series 2017 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 2017 Bonds to the original purchasers;
- C. An executed and certified copy of the Bond Legislation;
- D. An executed copy of the Bond Purchase Agreement; and
- E. The unqualified approving opinions of bond counsel on the Series 2017 Bonds.

Section 3.10. Form of Bonds. The text of the Series 2017 Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2017 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BENWOOD
SEWER REVENUE BONDS, SERIES 2017 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: The ____ day of _____, 2017, that the CITY OF BENWOOD, a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS (\$ _____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20____, to and including _____ 1, 20____ as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee of _____ % (as defined in the hereinafter described Bond Legislation) on this Bond shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____, 20____, as set forth on EXHIBIT B attached hereto.

This Bond shall bear interest at the rate of _____%. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this bond is payable by check or draft of the Paying Agent mailed to the Registered Owner hereof at the address as it appears on the books of United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the next month preceding an interest payment date, or such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority on behalf of the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the Issuer, the Authority and the DEP, dated _____, 2017.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds (the "Bonds") and related costs. The public sewerage system of the Issuer, the Project, 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2017, and a Supplemental Resolution duly adopted by the Issuer on _____, 2017 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(I) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 20, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$318,300 (THE "SERIES 2000 ABONDS"); AND

(II) SEWER REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED DECEMBER 20, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$245,600 (THE "SERIES 2000 B BONDS), (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System on a parity with the Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2017 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and 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, the monies in the Series 2017 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, the Prior Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that so long as there exists in the Series 2017 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations Outstanding on a parity with or junior and subordinate, to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefore, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds for the terms of which reference is made to

the Bond Legislation. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the Costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the Registered Owner of this Bond.

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

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF BENWOOD has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Clerk, and has caused this Bond to be dated the day and year first written above.

[SEAL]

Mayor

ATTEST:

Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2017 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: _____, 2017.

UNITED BANK, INC.,
as Registrar

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(1) \$		(21) \$	
(2) \$		(22) \$	
(3) \$		(23) \$	
(4) \$		(24) \$	
(5) \$		(25) \$	
(6) \$		(26) \$	
(7) \$		(27) \$	
(8) \$		(28) \$	
(9) \$		(29) \$	
(10) \$		(30) \$	
(11) \$		(31) \$	
(12) \$		(32) \$	
(13) \$		(33) \$	
(14) \$		(34) \$	
(15) \$		(35) \$	
(16) \$		(36) \$	
(17) \$		(37) \$	
(18) \$		(38) \$	
(19) \$		(39) \$	
(20) \$		(40) \$	
		TOTAL \$	

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, 20____.

In the presence of:

(FORM OF SERIES 2017 B BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BENWOOD
SEWER REVENUE BONDS, SERIES 2017 B
(WEST VIRGINIA SRF PROGRAM/FORGIVABLE)

No. BR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: The ____ day of _____, 2017, that the CITY OF BENWOOD, a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS (\$ _____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously forgiven, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference. The Series 2017 B Bonds are not subject to the SRF Administrative Fee (as defined in the hereinafter described Bond Legislation).

This Bond shall bear no interest. The principal amounts advanced under the Series 2017 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2017 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority on behalf of the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the Issuer, the Authority and the DEP, dated _____, 2017.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance hereof and related costs. The existing public sewerage system of the Issuer, the Project, 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2017, and a Supplemental Resolution duly adopted by the Issuer on _____, 2017 (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 FORGIVABLE AND HAS NO LIEN ON THE NET REVENUES OR GROSS REVENUES OF THE SYSTEM.

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

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the Costs of the Project and costs of issuance described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the Registered Owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF BENWOOD has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Clerk, and has caused this Bond to be dated the day and year first written above.

[SEAL]

Mayor

ATTEST:

Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2017 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below.

Date: _____, 2017.

UNITED BANK, INC.
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:

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Bond Purchase Agreement. The Series 2017 Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Bond Purchase Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Bond Purchase Agreement, and the Clerk is directed to affix the seal of the Issuer, attest the same and deliver the Bond Purchase Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

Section 3.12. "Amended Schedule" Filing. Within 60 days following the Completion Date of the Project, the Issuer will file with the Authority and the DEP a schedule setting forth the actual Costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

- (1) Revenue Fund (established by Prior Ordinances);
- (2) Renewal and Replacement Fund (established by Prior Ordinances); and
- (3) Series 2017 Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with (or continued if previously established by Prior Ordinances) 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 2000 A Bonds Sinking Fund (established by Prior Ordinances);
- (2) Series 2000 A Bonds Reserve Account (established by Prior Ordinances);
- (3) Series 2000 B Bonds Sinking Fund (established by Prior Ordinances);
- (4) Series 2000 B Bonds Reserve Account (established by Prior Ordinances);
- (5) Series 2017 A Bonds Sinking Fund; and

(6) Series 2017 A Bonds Reserve Account.

No accounts are set up at the Commission for the Series 2017 B Bonds, as they are forgivable.

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 moneys in the Revenue Fund all Operating Expenses of the System.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) the amounts required by Prior Ordinances to pay principal on the Prior Bonds; and (ii) commencing 4 months prior to the first date of payment of principal of the Series 2017 A Bonds, for deposit in the Series 2017 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2017 A Bonds on the next ensuing quarterly principal payment date; provided, that in the event the period to elapse between the date of such initial deposit in the Series 2017 A Bonds Sinking Fund and the next quarterly principal payment date is less than 4 months, then such monthly payment shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) the amounts required by Prior Ordinances to be deposited in the respective Reserve Accounts for the Prior Bonds; and (ii) commencing 4 months prior to the first date of payment of principal of the Series 2017 A Bonds, if not fully funded upon issuance of the Series 2017 A Bonds, for deposit in the Series 2017 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2017 A Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 2017 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2017 A Bonds Reserve Requirement.

(4) The Issuer shall next, 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 2.5% 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 moneys from the Renewal and Replacement Fund.

All investment earnings on monies in the Series 2017 A Bonds Sinking Fund and the Series 2017 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2017 Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2017 A Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2017 A Bonds Reserve Account which result in a reduction in the balance of the Series 2017 A Bonds Reserve Account to below the Series 2017 A Bonds Reserve Requirement shall be subsequently restored from the first Net 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 2017 A Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve accounts in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2017 A Bonds Sinking Fund or into the Series 2017 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2017 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2017 A Bonds Sinking Fund and the Series 2017 A Bonds Reserve Account created hereunder, and all required amounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein.

Monies in the Series 2017 A Bonds Sinking Fund and the Series 2017 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2017 A Bonds Sinking Fund and the Series 2017 A Bonds Reserve Account, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2017 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall, on the first day of each month (if the first day is not a business day, then the first business day of each month), deposit with the Commission the required interest, if any, principal and reserve account payments with respect to the Series 2017 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall, on the first day of each

month (if the first day is not a business day, then the first business day of each month) deposit with the Commission, the SRF Administrative Fee as set forth in the Schedule Y attached to the Bond Purchase Agreement for the Series 2017 A Bonds.

C. 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 the Act, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

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

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

F. 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 on a parity and pro rata with respect to the Series 2017 A Bonds and the Prior Bonds all in accordance with the respective principal amounts Outstanding before being applied to any other payments hereunder.

G.. 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.

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

I. All Tap Fees shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds.

From the monies received from the sale of the Series 2017 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2017 A Bonds, there shall first be deposited with the Commission in the Series 2017 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest.

B. Next, from the proceeds of the Series 2017 A Bonds, there shall be deposited with the Commission in the Series 2017 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2017 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2017 A Bonds, such monies shall be deposited with the Depository Bank in the 2017 Bonds Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02 hereof, and until expended, are hereby pledged as additional security for the Series 2017 A Bonds.

D. As the Issuer receives advances of monies derived from the sale of the Series 2017 B Bonds, such monies shall be deposited with the Depository Bank in the 2017 Bonds Construction Trust Fund and applied solely to payment of the Costs of the Project in the manner set forth in Section 6.02 hereof, and until expended, are hereby pledged as additional security for the Series 2017 B Bonds.

E. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2017 Bonds shall be expended as approved by the DEP.

Section 6.02. Disbursements From the Series 2017 Bonds Construction Trust Fund

On or before the Closing Date, the Issuer shall have delivered to the Authority and the DEP a report listing the specific purposes for which the proceeds of the Series 2017 Bonds will be expended and the disbursement procedures of such proceeds, including an estimated monthly draw schedule. Payments for Costs of the Project shall be made monthly. Invoices for which repayment from the Series 2017 Bonds Construction Trust Fund will be sought must first be approved by the Issuer.

Except as provided in Section 6.01 hereof, disbursements from the Series 2017 Bonds Construction Trust Fund shall be made only after submission to, and approval from, the Authority and the DEP of a completed and signed "Payment Requisition Form," a form of which is attached to the Bond Purchase Agreement, in compliance with the construction schedule.

Pending such application, monies in the Series 2017 Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2017 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 2017 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 2017 Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2017 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 2017 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2017 Bonds or the interest, if any, thereon.

Section 7.03. Series 2017 A Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2017 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the System on a parity with the Prior Bonds. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2017 A Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and the Issuer shall supply an opinion of counsel to such effect. Such rates and charges shall be sufficient to comply with the requirements of the Bond Purchase Agreement and the Issuer shall supply a certificate of Certified Public Accountant to such effect. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the sewer rate ordinance of the Issuer adopted May 24, 2016 which rates are incorporated herein by reference as a part hereof.

So long as the Series 2017 Bonds are Outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Bond Purchase Agreement. In the event the schedule of rates and charges initially established for the System in connection with the Series 2017 Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Bond Purchase Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Bond Purchase Agreement.

Section 7.05. Sale of the System. So long as the Prior Bonds are Outstanding, the Issuer shall not sell, lease, mortgage or in any manner dispose of or encumber the System, or any part thereof, except as provided in the Prior Ordinances and with the written consent of the Authority.

So long as the Series 2017 Bonds are Outstanding and except as otherwise required by law or with the written consent of the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2017 Bonds, immediately be remitted to the Commission for deposit in the Series 2017 A Bonds Sinking Fund, and, with the written permission of the Authority or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2017 A Bonds in accordance with Article X hereof. Any balance remaining after the payment of the Bonds and the interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund for the repayment of the Bonds. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into such funds by other provisions of this Bond Legislation.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of \$50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in this Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the

Series 2017 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2017 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 2017 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 2017 A Bonds, and the interest, if any, thereon, upon any of the income and revenues of the System pledged for payment of the Series 2017 A Bonds and the interest, if any, thereon in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. So long as the Prior Bonds are Outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no additional Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2017 Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority under the conditions and in the manner herein provided (unless less restrictive than the provisions of the Prior Ordinances).

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2017 Bonds.

No such additional 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 all or a portion of one or more series of Bonds issued pursuant hereto, or to pay claims which may exist against the revenues or facilities of the System or all of such purposes.

So long as the Series 2017 A Bonds or Prior Bonds are Outstanding, no Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Clerk 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 additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, if any, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest, if any, on the following:

- (1) The Bonds then Outstanding;
- (2) Any additional Parity Bonds theretofore issued pursuant to the provisions contained in the Prior Ordinances and this Bond Legislation then Outstanding; and

(3) The additional 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 improvements to be financed by such Parity Bonds and any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Clerk 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 shall have expired (without successful appeal) prior to issuance of such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. Bonds issued on a parity, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the 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 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 Bonds.

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

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

construction and installation of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

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

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

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

The Issuer shall file with the Authority and the DEP, or any other original purchaser of the Series 2017 Bonds, and shall mail in each year to any Holder or Holders of the Series 2017 Bonds, requesting the same, an annual report containing the following:

- (A) A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.
- (B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.
- (C) The amount of any Bonds, notes or other obligations Outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and in compliance with 2 CFR 200 Subpart F, or any successor thereto, to the extent legally required), and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2017 Bonds and shall submit said report to the Authority and the DEP, or any other original purchaser of the Series 2017 Bonds. Such audit report submitted to the Authority and the DEP shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Bond Purchase Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

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

The Issuer shall provide the DEP with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in the Bond Purchase Agreement for the Series 2017 Bonds or any Exhibit thereto or as promulgated from time to time.

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

Section 7.09. Rates. Prior to the issuance of the Series 2017 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 Clerk, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System to meet the coverage requirements set forth in the Prior Ordinances so long as the Prior Bonds are Outstanding and thereafter, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2017 A Bonds, the Prior Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Series 2017 A Bonds, including the Prior Bonds provided, that in the event the amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2017 A Bonds Reserve Account and any Reserve Accounts for obligations on a parity with the Series 2017 A Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2017 A Bonds, the Prior Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2017 A Bonds. 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 Independent Certified Public Accountant that less than the above-required coverage exists or in the event that the annual audit report shows 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 and shall submit a copy of such budget to the DEP and the Authority within 30 days of adoption thereof. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance within 30 days of adoption to the Authority and the DEP and to any Holder of the Bonds, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the DEP, the Authority and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Bond Purchase Agreement, and forward a copy of such report to the DEP and the Authority by the 20th day of each month.

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

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

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

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

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator to operate the System during

the entire term of the Bond Purchase Agreement. The Issuer shall notify the DEP in writing of the certified operator employed at the 50% completion stage.

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

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

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

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 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 Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2017 Bonds remain Outstanding, the Issuer will, as an Operating

Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. In the event of any damage to or destruction of any portion of the System, the proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Bond Purchase Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

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

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

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

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

(6) FIDELITY BONDS will be provided as to every officer, member and employee of the Issuer or the Governing Body having custody of the revenues

or of any other funds of the System, in an amount at least equal to the total funds in the custody of any such person at any one time.

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

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

Section 7.16. Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

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

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

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project, all orders and approvals required by State law and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the System and has obtained all approvals for the issuance of the Series 2017 Bonds

required by State law, with all appeal periods having expired without successful appeal and the Issuer shall supply an opinion of counsel to such effect.

Section 7.18. Compliance with Bond Purchase Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Bond Purchase Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer shall provide the DEP with copies of all documents submitted to the Authority.

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

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

Section 7.19. [RESERVED]

Section 7.20. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.21. Contracts; Change Orders; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2017 Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP for written approval. The Issuer shall obtain the written approval of the DEP before expending any proceeds of the Series 2017 Bonds held in "contingency" as set forth in the Schedule attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the DEP before expending any proceeds of the Series 2017 Bonds made available due to bid or construction or project underruns.

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

Section 7.22. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2017 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 2017 A Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

ARTICLE VIII

INVESTMENT OF FUNDS

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

Any investment shall be held in and at all times deemed a part of the fund or account in which such monies were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission, the Depository Bank, or such other bank or national banking association, as the case may be, 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 as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2017 Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest on the Series 2017 Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2017 Bonds as a condition to issuance of the Series 2017 Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2017 Bonds as may be necessary in order to maintain the status of the Series 2017 Bonds as governmental bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2017 Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority or the DEP, as the case may be, from which the proceeds of the Series 2017 Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority or the DEP, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2017 Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2017 Bonds:

- (1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2017 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 2017 Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2017 Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, 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; or
- (4) If default occurs with respect to the Prior Bonds or the Prior Ordinances.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due; (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System; (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds; and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided, that all rights and remedies of the Holders of the Series 2017 A Bonds shall be on a parity with those Holders of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the

right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

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

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of 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 Series 2017 A Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2017 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 2017 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 2017 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 2017 Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2017 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 2017 Bonds, shall be made without the consent in writing of the Registered Owners of the Series 2017 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 2017 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 2017 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 2017 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 2017 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; provided, that in the event of any conflict between this Ordinance and the Prior Ordinances, the Prior Ordinances shall control (unless less restrictive), so long as the Prior Bonds are Outstanding.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to

and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, the Clerk 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 *Moundsville Daily Echo*, a newspaper published and of general circulation in the City of Benwood, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2017 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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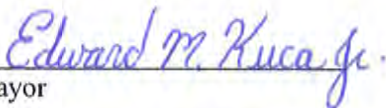
Section 11.08. Effective Date. This Ordinance shall take effect immediately following the public hearing and final reading hereof.

Passed on First Reading: November 22, 2016

Passed on Second Reading: December 13, 2016

Passed on Final Reading
Following Public Hearing: January 10, 2017

CITY OF BENWOOD


Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF BENWOOD on the 10th day of January, 2017.

Dated: July 11, 2017

[SEAL]

Assistant Clerk Melodie Upho

CITY OF BENWOOD

Sewer Revenue Bonds, Series 2017 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2017 B
(West Virginia SRF Program/Forgivable)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2017 A (WEST VIRGINIA SRF PROGRAM) AND SEWER REVENUE BONDS, SERIES 2017 B (WEST VIRGINIA SRF PROGRAM/FORGIVABLE) OF THE CITY OF BENWOOD; APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the City Council (the “Governing Body”) of the City of Benwood (the “Issuer”) has duly and officially adopted and enacted a bond ordinance, effective January 10, 2017 (the “Bond Ordinance”), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF BENWOOD AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$2,775,400 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2017 A (WEST VIRGINIA SRF PROGRAM); AND NOT MORE THAN \$1,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2017 B (WEST VIRGINIA SRF PROGRAM/FORGIVABLE) PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING

FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND
ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Ordinance provides for the issuance of Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), of the Issuer, in an aggregate principal amount not to exceed \$2,775,400 (the "Series 2017 A Bonds") and Sewer Revenue Bonds, Series 2017 B (West Virginia SRF Program/Forgivable), of the Issuer, in an aggregate principal amount not to exceed \$1,000,000 (the "Series 2017 B Bonds"), (collectively, the "Series 2017 Bonds").

WHEREAS, the Bond Ordinance has authorized the execution and delivery of the Bond Purchase Agreement relating to the Series 2017 Bonds, including all schedules and exhibits attached thereto, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP") (the "Bond Purchase Agreement"), all in accordance with Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and in the Bond Ordinance it is provided that the form of the Bond Purchase Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Series 2017 Bonds should be established by a supplemental resolution pertaining to the Series 2017 Bonds; and that other matters relating to the Series 2017 Bonds be herein provided for;

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

WHEREAS, the Series 2017 Bonds are proposed to be purchased by the Authority pursuant to the Bond Purchase Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Bond Purchase Agreement be approved and ratified by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provision, the interest rate, the interest and principal payment dates and the sale price of the Series 2017 Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Series 2017 Bonds be herein provided for;

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

Section 1. A. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the original aggregate principal amount of \$2,404,539. The Series 2017 A Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2057 and shall bear interest at the rate of 0.25%. The principal and interest of the Series 2017 A Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2018, to and including June 1, 2057 and in the amounts as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Series 2017 A Bonds. The Series 2017 A Bonds

shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the Bond Purchase Agreement, so long as the Authority shall be the Registered Owner of the Series 2017 A Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 0.25% as set forth in "Schedule Y" attached to the Bond Purchase Agreement.

B. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Sewer Revenue Bonds, Series 2017 B (West Virginia SRF Program/Forgivable), of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of \$1,000,000. The Series 2017 B Bonds shall be dated the date of delivery thereof and shall bear no interest. The principal amounts advanced under the Series 2017 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2017 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven. The Series 2017 B Bonds may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the DEP, and otherwise in compliance with, the Bond Purchase Agreement. The Series 2017 B Bonds are not subject to the SRF Administrative Fee.

Section 2. All other provisions relating to the Series 2017 Bonds and the text of the Series 2017 Bonds shall be in substantially the form provided in the Bond Ordinance.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Bond Purchase Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Bond Purchase Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Bond Purchase Agreement and in the applications to the DEP and the Authority. The price of the Series 2017 Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Series 2017 Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate United Bank, Inc., Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Series 2017 Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Series 2017 Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2017 A Bonds under the Bond Ordinance.

Section 6. The Issuer does hereby appoint and designate WesBanco, Inc., McMechen, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 2017 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2017 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2017 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2017 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2017 A Bonds shall be deposited in or credited to the Series 2017 Bonds Construction Trust Fund as received from the DEP from time to time for payment of the Costs of the Project, including, without limitation, costs of issuance of the Series 2017 A Bonds and related costs.

Section 10. The proceeds of the Series 2017 B Bonds shall be deposited in or credited to the Series 2017 Bonds Construction Trust Fund as received from the DEP from time to time for payment of the Costs of the Project, including, without limitation, costs of issuance of the Series 2017 B Bonds and related costs.

Section 11. The Mayor and the Clerk are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Series 2017 Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Series 2017 Bonds may be delivered on or about July 11, 2017, to the Authority pursuant to the Bond Purchase Agreement.

Section 12. The Sanitary Board of the Issuer is hereby authorized to approve invoices and requests for payment of the Project.

Section 13. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Series 2017 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 14. The Issuer does hereby approve and authorize all contracts relating to the financing, acquisition and construction of the Project.

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

Adopted this 27th day of June, 2017.

CITY OF BENWOOD

By: Edward M. Kuca Jr.
Its: Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Benwood on the 27th day of June, 2017.

Dated: July 11, 2017.

[SEAL]

Assistant Clerk Melanie Upham

BOND PURCHASE AGREEMENT

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

CITY OF BENWOOD
(2012S-1325/C-544531)
(Local Government)

W I T N E S S E T H:

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

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

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

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

WHEREAS, pursuant to the Act, the Authority and DEP are empowered to utilize moneys from the Fund to purchase the bonds of local governments to provide the financing for

the acquisition or construction of wastewater treatment projects by such local governments, all subject to such provisions and limitations as are contained in the Clean Water Act and the Act;

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

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

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

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

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

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

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

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

ARTICLE I

Definitions

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

1.2 “Consulting Engineers” means the professional engineer, licensed by the State, designated in the Application and any successor thereto, who was selected pursuant to Article 1, Chapter 5G of the Code of West Virginia of 1931, as amended.

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

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

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

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

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

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

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

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

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

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

ARTICLE II The Project and the System

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

2.2 Subject to the terms, conditions and provisions of this Bond Purchase Agreement and the Local Act, the Local Government has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared for the Local Government by the Consulting Engineers.

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

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

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

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

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

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

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

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

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

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

2.13 The Local Government shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia (the "PSC").

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

ARTICLE III
Conditions to Purchase of Local Bonds;
Issuance of Local Bonds

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

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

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

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

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

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

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

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

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

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

firm experienced in the finances of local governments and satisfactory to the Authority and DEP, to such effect; and

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

(k) The Local Government shall have obtained 100% of the titles, easements and rights-of-way, or shall have received rights-of-entry or recorded binding options for the same and the Authority and DEP shall receive an opinion of counsel to the Local Government, satisfactory to the Authority and DEP, to such effect.

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

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

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

3.5 The Local Government understands and acknowledges that it is one of several local governments which have applied to the Authority and DEP for financing of wastewater treatment projects and that the obligation of the Authority to purchase the Local Bonds is subject to the Local Government's fulfilling all of the terms and conditions of this Bond Purchase Agreement on or prior to the Date of Closing and to the requirements of the Program.

The Local Government specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Fund to purchase all the Local Bonds and that, prior to such purchase, the Authority may purchase the bonds of other local governments set out in the State Project Priority List, as defined in the SRF Regulations. The Local Government further specifically recognizes that all bonds will be purchased in conjunction with the SRF Regulations and with the prior approval of DEP.

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

3.7 The Local Government shall comply with all federal requirements applicable to the Loan (including those imposed by P.L. 113-76, Consolidated Appropriations Act, 2014, and related SRF Policy Guidelines issued by the EPA) which the Local Government understands includes, among other things, requirements that all of the iron and steel products used in the Project are to be produced in the United States (“American Iron and Steel Requirement”) unless (i) the Local Government has requested and obtained a waiver from the EPA pertaining to the Project or (ii) DEP has otherwise advised the Local Government in writing that the American Iron and Steel Requirement is not applicable to the Project.

3.8 The Local Government shall comply with all record keeping and reporting requirements under the Clean Water Act, including any reports required by a Federal agency or DEP such as performance indicators of program deliverables, information on costs and Project progress. The Local Government understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the Clean Water Act and this Agreement may be a default hereunder that results in a repayment of the Loan in advance of the maturity of the Bonds and/or other remedial actions.

ARTICLE IV

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

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

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

(i) to pay Operating Expenses of the System;

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

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

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

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

(b) Covenants substantially as follows:

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

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

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

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

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

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

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

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

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

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

(xi) That the Local Government shall annually cause the records of the System to be audited in accordance with 2 CFR 200 Subpart F (or any successor thereto) or the laws of the State by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and DEP, which

report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Local Government's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

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

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

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

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

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

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

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

Revenue Code of 1986, as amended, a certificate with respect to its rebate calculations and, at any time, any additional information requested by the Authority;

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

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

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

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

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

4.3 An amount equal to the outstanding invoices will be advanced on the Date of Closing. The remaining proceeds of the Local Bonds shall be advanced by the DEP monthly as required by the Local Government to pay Costs of the Project, provided, however, if the proceeds of the Local Bonds will be used to repay an interim financing, the proceeds will be advanced on a schedule mutually agreeable to the Local Government, the DEP and the Authority. The Local Bonds shall not bear interest during the construction period but interest shall commence accruing on the completion date as defined in the SRF Regulations, provided that the annual repayment of principal and payment of interest shall begin not later than one (1) year after the completion date. The repayment of principal and interest on the Local Bonds shall

be as set forth on Schedule Y hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

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

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

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

ARTICLE V

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

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

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

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

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

ARTICLE VI Other Agreements of the Local Government

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

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

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

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

6.5 Notwithstanding Section 6.4, the Authority and DEP may at any time, in their sole discretion, cause the rebate calculations prepared by or on behalf of the Local

Government to be monitored or cause the rebate calculations for the Local Government to be prepared, in either case at the expense of the Local Government.

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

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

ARTICLE VII Miscellaneous

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

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

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

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

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

7.6 By execution and delivery of this Bond Purchase Agreement, notwithstanding the date hereof, the Local Government specifically recognizes that it is hereby

agreeing to sell its Local Bonds to the Authority and that such obligation may be specifically enforced or subject to a similar equitable remedy by the Authority.

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

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

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

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

CITY OF BENWOOD

(SEAL)

Attest:

By: Edward M Kuca Jr.
Its: Mayor
Date: July 11, 2017

Melodie Upshur
Its: Clerk ~~Assistant~~

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

By: Shelby Mall
Its: Director
Date: July 11, 2017

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

(SEAL)

Attest:

By: [Signature]
Its: Executive Director
Date: July 11, 2017

Sheila A. Miller
Its: Authorized Officer

EXHIBIT A

FORM OF PERFORMANCE CERTIFICATE

[To Be Provided By DEP]

EXHIBIT B

MONTHLY FINANCIAL REPORT

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

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

 Name of Person Completing Form

 Address

 Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

- Item 1 You will need a copy of the current fiscal year budget adopted by the Local Government to complete Items 1 and 2. In Item 1, provide the amount of actual **Gross Revenues** for the current month and the total amount year-to-date in the respective columns. Divide the budgeted annual Gross Revenues by 12. For example, if Gross Revenues of \$1,200 are anticipated to be received for the year, each month the base would be increased by \$100 ($\$1,200/12$). This is the incremental amount for the Budget Year-to-Date column.
- Item 2 Provide the amount of actual **Operating Expenses** for the current month and the total amount year-to-date in the respective columns. Any administrative fee should be included in the Operating Expenses. Divide the budgeted annual Operating Expenses by 12. For example, if Operating Expenses of \$900 are anticipated to be incurred for the year, each month the base would be increased by \$75 ($\$900/12$). This is the incremental amount for the Budget Year-to-Date column.
- Item 3 Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Local Government according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.
- Item 4 Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are \$1,200, then \$30 (2.5% of \$1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Local Government.

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

EXHIBIT C

PAYMENT REQUISITION FORM

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

EXHIBIT D

FORM OF CERTIFICATE OF CONSULTING ENGINEER

(Issuer)

(Name of Bonds)

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

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

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

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and any change orders approved by the Issuer, the DEP and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least _____ years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule B attached hereto as Exhibit A, and my firm¹ has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project

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

reflect the Project as approved by the DEP and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof², the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Funding Assistance Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; (xi) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of the Vendor's compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; and (xii) attached hereto as Exhibit A is the final amended "Schedule B - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

4. The Project will serve _____ new customers in the _____ area as approved by the Infrastructure Council without substitution.

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

By _____
West Virginia License No. _____

[SEAL]

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

EXHIBIT E

SPECIAL CONDITIONS

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

B. FISCAL SUSTAINABILITY – The Local Government shall submit an acceptable fiscal sustainability plan that complies with Section 603(d)(1)(E) of the Clean Water Act to DEP no later than six months following substantial completion of the Project. This requirement shall be included in the bond closing documents.

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

D. CLOSING REQUIREMENTS – The Closing is also contingent on the DEP's receipt of the CSX Permit. Prior to DEP advancing any funds with respect to Change Order #1, the Local Government must provide for approval an acceptable updated final title opinion, amended professional services agreements, and any revised permits.

EXHIBIT F

MONTHLY PAYMENT FORM

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

Interest \$ _____

Principal \$ _____

Total: \$ _____

Reserve Account: \$ _____

Witness my signature this ____ day of _____.

[Name of Local Government]

By: _____
Authorized Officer

Enclosure: copy of check(s)

EXHIBIT G

OPINION OF BOND COUNSEL FOR LOCAL GOVERNMENT

[To Be Dated as of Date of Closing]

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

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

Ladies and Gentlemen:

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

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

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

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly adopted or enacted by the Local Government on _____, as supplemented by the supplemental resolution duly adopted by the Local Government on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Bond Purchase Agreement has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Bond Purchase Agreement.

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

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

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

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

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

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

6. Under the Act, the Local Bonds and any interest thereon are exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

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

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

Very truly yours,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

A.	Series A Bonds (CWSRF Base Program)	
	Principal Amount of Local Bonds	\$2,404,539
	Purchase Price of Local Bonds	\$2,404,539

The Local Bonds shall bear interest at a rate of 0.25% per annum. Commencing December 1, 2018, principal of and interest on the Local Bonds is payable quarterly, with an administrative fee of 0.25%. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

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

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

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

Number of Proposed New Customers to Be Served: -0-

Location: City of Benwood, Marshall County

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

- (i) Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated December 20, 2000, issued in the original aggregate principal amount of \$318,300; and

- (ii) Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), dated December 20, 2000, issued in the original aggregate principal amount of \$245,600.

B.	Series B Bonds (CWSRF Forgiveness)	
	Principal Amount of Local Bonds	\$1,000,000
	Purchase Price of Local Bonds	\$1,000,000

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

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

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

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

SCHEDULE Y DEBT SERVICE SCHEDULE

Net Debt Service

City of Benwood

CWSRF

\$2,404,539

0.25% Interest Rate

0.25% Administrative Fee

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Net Debt Service
12/1/2018	14,779	0.250%	1,502.84	16,281.84	768.39	17,050.23
3/1/2019	14,788	0.250%	1,493.60	16,281.60	768.39	17,049.99
6/1/2019	14,797	0.250%	1,484.36	16,281.36	768.39	17,049.75
9/1/2019	14,806	0.250%	1,475.11	16,281.11	768.39	17,049.50
12/1/2019	14,816	0.250%	1,465.86	16,281.86	768.39	17,050.25
3/1/2020	14,825	0.250%	1,456.60	16,281.60	768.39	17,049.99
6/1/2020	14,834	0.250%	1,447.33	16,281.33	768.39	17,049.72
9/1/2020	14,844	0.250%	1,438.06	16,282.06	768.39	17,050.45
12/1/2020	14,853	0.250%	1,428.78	16,281.78	768.39	17,050.17
3/1/2021	14,862	0.250%	1,419.50	16,281.50	768.39	17,049.89
6/1/2021	14,871	0.250%	1,410.21	16,281.21	768.39	17,049.60
9/1/2021	14,881	0.250%	1,400.92	16,281.92	768.39	17,050.31
12/1/2021	14,890	0.250%	1,391.61	16,281.61	768.39	17,050.00
3/1/2022	14,899	0.250%	1,382.31	16,281.31	768.39	17,049.70
6/1/2022	14,909	0.250%	1,373.00	16,282.00	768.39	17,050.39
9/1/2022	14,918	0.250%	1,363.68	16,281.68	768.39	17,050.07
12/1/2022	14,927	0.250%	1,354.35	16,281.35	768.39	17,049.74
3/1/2023	14,937	0.250%	1,345.03	16,282.03	768.39	17,050.42
6/1/2023	14,946	0.250%	1,335.69	16,281.69	768.39	17,050.08
9/1/2023	14,955	0.250%	1,326.35	16,281.35	768.39	17,049.74
12/1/2023	14,965	0.250%	1,317.00	16,282.00	768.39	17,050.39
3/1/2024	14,974	0.250%	1,307.65	16,281.65	768.39	17,050.04
6/1/2024	14,983	0.250%	1,298.29	16,281.29	768.39	17,049.68
9/1/2024	14,993	0.250%	1,288.93	16,281.93	768.39	17,050.32
12/1/2024	15,002	0.250%	1,279.55	16,281.55	768.39	17,049.94
3/1/2025	15,011	0.250%	1,270.18	16,281.18	768.39	17,049.57
6/1/2025	15,021	0.250%	1,260.80	16,281.80	768.39	17,050.19
9/1/2025	15,030	0.250%	1,251.41	16,281.41	768.39	17,049.80
12/1/2025	15,040	0.250%	1,242.01	16,282.01	768.39	17,050.40
3/1/2026	15,049	0.250%	1,232.61	16,281.61	768.39	17,050.00
6/1/2026	15,058	0.250%	1,223.21	16,281.21	768.39	17,049.60
9/1/2026	15,068	0.250%	1,213.80	16,281.80	768.39	17,050.19
12/1/2026	15,077	0.250%	1,204.38	16,281.38	768.39	17,049.77
3/1/2027	15,087	0.250%	1,194.96	16,281.96	768.39	17,050.35
6/1/2027	15,096	0.250%	1,185.53	16,281.53	768.39	17,049.92
9/1/2027	15,105	0.250%	1,176.09	16,281.09	768.39	17,049.48
12/1/2027	15,115	0.250%	1,166.65	16,281.65	768.39	17,050.04
3/1/2028	15,124	0.250%	1,157.21	16,281.21	768.39	17,049.60
6/1/2028	15,134	0.250%	1,147.75	16,281.75	768.39	17,050.14
9/1/2028	15,143	0.250%	1,138.29	16,281.29	768.39	17,049.68
12/1/2028	15,153	0.250%	1,128.83	16,281.83	768.39	17,050.22
3/1/2029	15,162	0.250%	1,119.36	16,281.36	768.39	17,049.75
6/1/2029	15,172	0.250%	1,109.88	16,281.88	768.39	17,050.27
9/1/2029	15,181	0.250%	1,100.40	16,281.40	768.39	17,049.79
12/1/2029	15,191	0.250%	1,090.91	16,281.91	768.39	17,050.30
3/1/2030	15,200	0.250%	1,081.42	16,281.42	768.39	17,049.81
6/1/2030	15,210	0.250%	1,071.92	16,281.92	768.39	17,050.31

Jun 15, 2017 3:05 pm

(WDA:LOANS-BENW117) 6

Net Debt Service*City of Benwood**CWSRF**\$2,404,539**0.25% Interest Rate**0.25% Administrative Fee*

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Net Debt Service
9/1/2030	15,219	0.250%	1,062.41	16,281.41	768.39	17,049.80
12/1/2030	15,229	0.250%	1,052.90	16,281.90	768.39	17,050.29
3/1/2031	15,238	0.250%	1,043.38	16,281.38	768.39	17,049.77
6/1/2031	15,248	0.250%	1,033.86	16,281.86	768.39	17,050.25
9/1/2031	15,257	0.250%	1,024.33	16,281.33	768.39	17,049.72
12/1/2031	15,267	0.250%	1,014.79	16,281.79	768.39	17,050.18
3/1/2032	15,276	0.250%	1,005.25	16,281.25	768.39	17,049.64
6/1/2032	15,286	0.250%	995.70	16,281.70	768.39	17,050.09
9/1/2032	15,295	0.250%	986.15	16,281.15	768.39	17,049.54
12/1/2032	15,305	0.250%	976.59	16,281.59	768.39	17,049.98
3/1/2033	15,315	0.250%	967.02	16,282.02	768.39	17,050.41
6/1/2033	15,324	0.250%	957.45	16,281.45	768.39	17,049.84
9/1/2033	15,334	0.250%	947.87	16,281.87	768.39	17,050.26
12/1/2033	15,343	0.250%	938.29	16,281.29	768.39	17,049.68
3/1/2034	15,353	0.250%	928.70	16,281.70	768.39	17,050.09
6/1/2034	15,362	0.250%	919.11	16,281.11	768.39	17,049.50
9/1/2034	15,372	0.250%	909.50	16,281.50	768.39	17,049.89
12/1/2034	15,382	0.250%	899.90	16,281.90	768.39	17,050.29
3/1/2035	15,391	0.250%	890.28	16,281.28	768.39	17,049.67
6/1/2035	15,401	0.250%	880.66	16,281.66	768.39	17,050.05
9/1/2035	15,411	0.250%	871.04	16,282.04	768.39	17,050.43
12/1/2035	15,420	0.250%	861.41	16,281.41	768.39	17,049.80
3/1/2036	15,430	0.250%	851.77	16,281.77	768.39	17,050.16
6/1/2036	15,439	0.250%	842.13	16,281.13	768.39	17,049.52
9/1/2036	15,449	0.250%	832.48	16,281.48	768.39	17,049.87
12/1/2036	15,459	0.250%	822.82	16,281.82	768.39	17,050.21
3/1/2037	15,468	0.250%	813.16	16,281.16	768.39	17,049.55
6/1/2037	15,478	0.250%	803.49	16,281.49	768.39	17,049.88
9/1/2037	15,488	0.250%	793.82	16,281.82	768.39	17,050.21
12/1/2037	15,497	0.250%	784.14	16,281.14	768.39	17,049.53
3/1/2038	15,507	0.250%	774.45	16,281.45	768.39	17,049.84
6/1/2038	15,517	0.250%	764.76	16,281.76	768.39	17,050.15
9/1/2038	15,526	0.250%	755.06	16,281.06	768.39	17,049.45
12/1/2038	15,536	0.250%	745.36	16,281.36	768.39	17,049.75
3/1/2039	15,546	0.250%	735.65	16,281.65	768.39	17,050.04
6/1/2039	15,556	0.250%	725.93	16,281.93	768.39	17,050.32
9/1/2039	15,565	0.250%	716.21	16,281.21	768.39	17,049.60
12/1/2039	15,575	0.250%	706.48	16,281.48	768.39	17,049.87
3/1/2040	15,585	0.250%	696.75	16,281.75	768.39	17,050.14
6/1/2040	15,595	0.250%	687.01	16,282.01	768.39	17,050.40
9/1/2040	15,604	0.250%	677.26	16,281.26	768.39	17,049.65
12/1/2040	15,614	0.250%	667.51	16,281.51	768.39	17,049.90
3/1/2041	15,624	0.250%	657.75	16,281.75	768.39	17,050.14
6/1/2041	15,634	0.250%	647.98	16,281.98	768.39	17,050.37
9/1/2041	15,643	0.250%	638.21	16,281.21	768.39	17,049.60
12/1/2041	15,653	0.250%	628.43	16,281.43	768.39	17,049.82
3/1/2042	15,663	0.250%	618.65	16,281.65	768.39	17,050.04

Jun 15, 2017 3:05 pm

(WDA:LOANS-BENW117) 7

Net Debt Service*City of Benwood**CWSRF**\$2,404,539**0.25% Interest Rate**0.25% Administrative Fee*

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Net Debt Service
6/1/2042	15,673	0.250%	608.86	16,281.86	768.39	17,050.25
9/1/2042	15,682	0.250%	599.07	16,281.07	768.39	17,049.46
12/1/2042	15,692	0.250%	589.27	16,281.27	768.39	17,049.66
3/1/2043	15,702	0.250%	579.46	16,281.46	768.39	17,049.85
6/1/2043	15,712	0.250%	569.64	16,281.64	768.39	17,050.03
9/1/2043	15,722	0.250%	559.82	16,281.82	768.39	17,050.21
12/1/2043	15,732	0.250%	550.00	16,282.00	768.39	17,050.39
3/1/2044	15,741	0.250%	540.17	16,281.17	768.39	17,049.56
6/1/2044	15,751	0.250%	530.33	16,281.33	768.39	17,049.72
9/1/2044	15,761	0.250%	520.48	16,281.48	768.39	17,049.87
12/1/2044	15,771	0.250%	510.63	16,281.63	768.39	17,050.02
3/1/2045	15,781	0.250%	500.78	16,281.78	768.39	17,050.17
6/1/2045	15,791	0.250%	490.91	16,281.91	768.39	17,050.30
9/1/2045	15,801	0.250%	481.04	16,282.04	768.39	17,050.43
12/1/2045	15,810	0.250%	471.17	16,281.17	768.39	17,049.56
3/1/2046	15,820	0.250%	461.29	16,281.29	768.39	17,049.68
6/1/2046	15,830	0.250%	451.40	16,281.40	768.39	17,049.79
9/1/2046	15,840	0.250%	441.50	16,281.50	768.39	17,049.89
12/1/2046	15,850	0.250%	431.60	16,281.60	768.39	17,049.99
3/1/2047	15,860	0.250%	421.70	16,281.70	768.39	17,050.09
6/1/2047	15,870	0.250%	411.79	16,281.79	768.39	17,050.18
9/1/2047	15,880	0.250%	401.87	16,281.87	768.39	17,050.26
12/1/2047	15,890	0.250%	391.94	16,281.94	768.39	17,050.33
3/1/2048	15,900	0.250%	382.01	16,282.01	768.39	17,050.40
6/1/2048	15,909	0.250%	372.07	16,281.07	768.39	17,049.46
9/1/2048	15,919	0.250%	362.13	16,281.13	768.39	17,049.52
12/1/2048	15,929	0.250%	352.18	16,281.18	768.39	17,049.57
3/1/2049	15,939	0.250%	342.23	16,281.23	768.39	17,049.62
6/1/2049	15,949	0.250%	332.26	16,281.26	768.39	17,049.65
9/1/2049	15,959	0.250%	322.30	16,281.30	768.39	17,049.69
12/1/2049	15,969	0.250%	312.32	16,281.32	768.39	17,049.71
3/1/2050	15,979	0.250%	302.34	16,281.34	768.39	17,049.73
6/1/2050	15,989	0.250%	292.35	16,281.35	768.39	17,049.74
9/1/2050	15,999	0.250%	282.36	16,281.36	768.39	17,049.75
12/1/2050	16,009	0.250%	272.36	16,281.36	768.39	17,049.75
3/1/2051	16,019	0.250%	262.36	16,281.36	768.39	17,049.75
6/1/2051	16,029	0.250%	252.34	16,281.34	768.39	17,049.73
9/1/2051	16,039	0.250%	242.33	16,281.33	768.39	17,049.72
12/1/2051	16,049	0.250%	232.30	16,281.30	768.39	17,049.69
3/1/2052	16,059	0.250%	222.27	16,281.27	768.39	17,049.66
6/1/2052	16,069	0.250%	212.23	16,281.23	768.39	17,049.62
9/1/2052	16,079	0.250%	202.19	16,281.19	768.39	17,049.58
12/1/2052	16,089	0.250%	192.14	16,281.14	768.39	17,049.53
3/1/2053	16,099	0.250%	182.09	16,281.09	768.39	17,049.48
6/1/2053	16,110	0.250%	172.02	16,282.02	768.39	17,050.41
9/1/2053	16,120	0.250%	161.95	16,281.95	768.39	17,050.34
12/1/2053	16,130	0.250%	151.88	16,281.88	768.39	17,050.27

Net Debt Service*City of Benwood**CWSRF***\$2,404,539***0.25% Interest Rate**0.25% Administrative Fee*

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Net Debt Service
3/1/2054	16,140	0.250%	141.80	16,281.80	768.39	17,050.19
6/1/2054	16,150	0.250%	131.71	16,281.71	768.39	17,050.10
9/1/2054	16,160	0.250%	121.62	16,281.62	768.39	17,050.01
12/1/2054	16,170	0.250%	111.52	16,281.52	768.39	17,049.91
3/1/2055	16,180	0.250%	101.41	16,281.41	768.39	17,049.80
6/1/2055	16,190	0.250%	91.30	16,281.30	768.39	17,049.69
9/1/2055	16,200	0.250%	81.18	16,281.18	768.39	17,049.57
12/1/2055	16,211	0.250%	71.05	16,282.05	768.39	17,050.44
3/1/2056	16,221	0.250%	60.92	16,281.92	768.39	17,050.31
6/1/2056	16,231	0.250%	50.78	16,281.78	768.39	17,050.17
9/1/2056	16,241	0.250%	40.64	16,281.64	768.39	17,050.03
12/1/2056	16,251	0.250%	30.49	16,281.49	768.39	17,049.88
3/1/2057	16,261	0.250%	20.33	16,281.33	768.39	17,049.72
6/1/2057	16,271	0.250%	10.17	16,281.17	768.65	17,049.82
2,404,539			119,100.71	2,523,639.71	119,100.71	2,642,740.42

The quarterly administration fee is calculated based upon 0.25% of the loan payments and will be \$768.39, with a final payment of \$768.65, to total \$119,100.71.

SRF PAYMENT REQUISITION FORM

1. LOAN RECIPIENT/VENDOR:

NAME: City of Benwood

ADDRESS: 430 Main Street, Benwood, WV 26031

FEIN: 55-6000146

DUNS: 034923888

2. SRF #: C-544531

3. REQUEST NUMBER: 1

4. PERIOD COVERED BY THIS REQUEST (MO/DAY/YR)

FROM: (MO/DAY/YR)

2/14/2012

TO: (MO/DAY/YR)

6/27/2017

5. % of PHYSICAL CONSTRUCTION COMPLETION

0%

CLASSIFICATION	A) APPROVED BUDGET	B) PREVIOUS APPROVED	C) THIS REQUEST	D) TOTAL COLUMNS B&C	E) AGENCY USE ONLY	
					SRF	PF/G
1) CONSTRUCTION	\$ 2,698,894		\$ -	\$ -		
2) EQUIPMENT	\$ -		\$ -	\$ -		
3) ENGINEERING						
a. Planning	\$ -		\$ -	\$ -		
b. Design	\$ -		\$ -	\$ -		
c. Construction Basic	\$ 142,100		\$ 8,964	\$ 8,964	8964	
d. Special Services	\$ 108,200		\$ 79,629	\$ 79,629	79629	
e. Inspection	\$ 164,900		\$ -	\$ -		
4) LEGAL	\$ 30,000		\$ 21,930	\$ 21,930	21930	
5) PERMITS	\$ 40,000		\$ 22,778	\$ 22,778	22778	
6) ADMINISTRATIVE	\$ 60,000		\$ 15,422	\$ 15,422	15422	
7) CONTINGENCY	\$ 134,945		\$ -	\$ -		
8) LOAN REPAYMENT			\$ -	\$ -		
9) RESERVE FUND			\$ -	\$ -		
10) CLOSING COSTS	\$ 25,500		\$ 25,500	\$ 25,500	25500	
11) SUBTOTAL	\$ 3,404,539	\$ -	\$ 174,223	\$ 174,223	174223	
12) LESS PREVIOUSLY PAID				\$ -		
13) REQUEST AMOUNT				\$ 174,223	174223	

14) Edward M. Kuca, Jr. 6/27/17
 AUTHORIZED SIGNATURE DATE
 Edward M. Kuca, Jr.
 TYPED OR PRINTED NAME AND TITLE

15) _____ 6/27/17
 PERSON PREPARING FORM SIGNATURE DATE
 A.C. Wiethe, Project Administrator
 TYPED OR PRINTED NAME AND TITLE

AGENCY USE ONLY:

THIS REQUEST APPROVED BY: WV DEPARTMENT OF ENVIRONMENTAL PROTECTION

[Signature] 4/29/2017 [Signature] 7/3/17
 PROJECT REVIEWER DATE AUTHORIZED OFFICER DATE



Chase Tower, 17th Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.step toe-johnson.com

Writer's Contact Information
(304) 353-8196 – Telephone
(304) 933-8714 – Facsimile
John.Stump@step toe-johnson.com

June 26, 2017

Via Hand Delivery

Ingrid Ferrell, *Executive Secretary*
Public Service Commission of West Virginia
201 Brooks Street
Charleston, West Virginia 25323

CASE NO.: 16-0614-S-CN

CITY OF BENWOOD

02:01 PM JUN 26 2017 PSC EXEC SEC DIV

Dear Ms. Ferrell:

Enclosed herein for filing on behalf of the City of Benwood, please find an affidavit by the City's certified public accountant.

Please file the enclosed affidavit and distribute the additional copies to the appropriate parties at the Commission. Additionally, I ask that you date stamp the file copy provided and return it with our messenger. Thank you in advance for your attention to this matter, and should you have any questions please contact me at (304) 353-8196.

Best Regards,

A handwritten signature in dark ink, appearing to read 'John C. Stump', written over a horizontal line.

John C. Stump
(W. V. State Bar No. 6385)

Enclosure



Griffith & Associates, PLLC

Accountants & Consultants

PUBLIC SERVICE COMMISSION OF WEST VIRGINIA

CASE NO.: 16-0614-S-CN
CITY OF BENWOOD

STATE OF WEST VIRGINIA
COUNTY OF LINCOLN TO-WIT:

02:01 PM JUN 26 2017 PSC EXEC SEC DIV

AFFIDAVIT

We have reviewed the Recommended Decision entered November 1, 2016 which became Final on November 21, 2016 of the Public Service Commission of West Virginia in Case No. 16-0614-S-CN approving the financing of the Project consisting of (a) a \$2,450,400 loan from the Clean Water State Revolving Fund (CWSRF) for a term of 40 years at 0% interest, 0.5% administrative fee; (b) a \$1,000,000 principal forgiveness loan from the CWSRF; and (c) a \$325,000 contribution from the City of Benwood.

Based upon all the information that has been provided, to date, we are of the opinion that the rates and charges are not affected by the revised funding consisting of (a) a \$2,404,539 loan from the Clean Water State Revolving Fund (CWSRF) for a term of 40 years at 0.25% interest, 0.25% administrative fee; (b) a \$1,000,000 principal forgiveness loan from the CWSRF; and (c) a \$325,000 contribution from the City of Benwood.

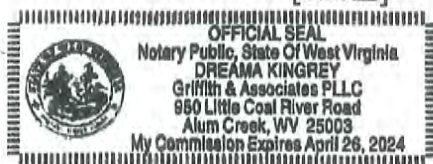
This Affidavit is executed on the 23rd day of June, 2017.

Michael D. Griffith, CPA, AFI
Griffith & Associates, PLLC

Taken, subscribed and sworn to before me this 23rd day of June, 2017.

My commission expires April 26, 2024.

[SEAL]


Notary Public

Michael D. Griffith, CPA, AFI
mgriffith@gcorpuwv.com

950 Little Coal River Road Alum Creek, WV 25003
Phone: (304) 756.3600 Facsimile: (304) 756.2911

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BENWOOD
SEWER REVENUE BONDS, SERIES 2017 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1

SPECIMEN

\$2,404,539

KNOW ALL MEN BY THESE PRESENTS: The 11th day of July, 2017, that the CITY OF BENWOOD, a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of TWO MILLION FOUR HUNDRED AND FOUR THOUSAND FIVE HUNDRED THIRTY NINE DOLLARS (\$2,404,539), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2018 to and including June 1, 2057, as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference with interest of 0.25% payable quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2018, to and including June 1, 2057, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) of 0.25% shall be payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing December 1, 2018, as set forth on Exhibit B attached hereto.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this bond is payable by check or draft of the Paying Agent mailed to the Registered Owner hereof at the address as it appears on the books of United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the next month preceding an interest payment date, or such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority on behalf of the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the Issuer, the Authority and the DEP, dated July 11, 2017.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds (the "Bonds") and related costs. The public sewerage system of the Issuer, the Project, 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on January 10, 2017, and a Supplemental Resolution duly adopted by the Issuer on June 27, 2017 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S:

(I) SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 20, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$318,300 (THE "SERIES 2000 ABONDS"); AND

(II) SEWER REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED DECEMBER 20, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$245,600 (THE "SERIES 2000 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System on a parity with the Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2017 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and 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, the monies in the Series 2017 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, the Prior Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that so long as there exists in the Series 2017 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations Outstanding on a parity

with or junior and subordinate, to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefore, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the Costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the Registered Owner of this Bond.

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

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF BENWOOD has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Clerk, and has caused this Bond to be dated the day and year first written above.

[SEAL]

Edward M. Kuca, Jr.
Mayor

ATTEST:

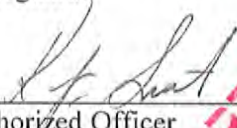
Melodie L. Poho
Clerk - Assistant

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2017 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: July 11, 2017.

UNITED BANK, INC.,
as Registrar



Authorized Officer

SPECIMEN

EXHIBIT A

RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(1) \$174,223	07/11/2017	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
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TOTAL \$ _____

EXHIBIT B

DEBT SERVICE SCHEDULE

Net Debt Service*City of Benwood**CWSRF***\$2,404,539***0.25% Interest Rate**0.25% Administrative Fee*

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Net Debt Service
12/1/2018	14,779	0.250%	1,502.84	16,281.84	768.39	17,050.23
3/1/2019	14,788	0.250%	1,493.60	16,281.60	768.39	17,049.99
6/1/2019	14,797	0.250%	1,484.36	16,281.36	768.39	17,049.75
9/1/2019	14,806	0.250%	1,475.11	16,281.11	768.39	17,049.50
12/1/2019	14,816	0.250%	1,465.86	16,281.86	768.39	17,050.25
3/1/2020	14,825	0.250%	1,456.60	16,281.60	768.39	17,049.99
6/1/2020	14,834	0.250%	1,447.33	16,281.33	768.39	17,049.72
9/1/2020	14,844	0.250%	1,438.06	16,282.06	768.39	17,050.45
12/1/2020	14,853	0.250%	1,428.78	16,281.78	768.39	17,050.17
3/1/2021	14,862	0.250%	1,419.50	16,281.50	768.39	17,049.89
6/1/2021	14,871	0.250%	1,410.21	16,281.21	768.39	17,049.60
9/1/2021	14,881	0.250%	1,400.92	16,281.92	768.39	17,050.31
12/1/2021	14,890	0.250%	1,391.61	16,281.61	768.39	17,050.00
3/1/2022	14,899	0.250%	1,382.31	16,281.31	768.39	17,049.70
6/1/2022	14,909	0.250%	1,373.00	16,282.00	768.39	17,050.39
9/1/2022	14,918	0.250%	1,363.68	16,281.68	768.39	17,050.07
12/1/2022	14,927	0.250%	1,354.35	16,281.35	768.39	17,049.74
3/1/2023	14,937	0.250%	1,345.03	16,282.03	768.39	17,050.42
6/1/2023	14,946	0.250%	1,335.69	16,281.69	768.39	17,050.08
9/1/2023	14,955	0.250%	1,326.35	16,281.35	768.39	17,049.74
12/1/2023	14,965	0.250%	1,317.00	16,282.00	768.39	17,050.39
3/1/2024	14,974	0.250%	1,307.65	16,281.65	768.39	17,050.04
6/1/2024	14,983	0.250%	1,298.29	16,281.29	768.39	17,049.68
9/1/2024	14,993	0.250%	1,288.93	16,281.93	768.39	17,050.32
12/1/2024	15,002	0.250%	1,279.55	16,281.55	768.39	17,049.94
3/1/2025	15,011	0.250%	1,270.18	16,281.18	768.39	17,049.57
6/1/2025	15,021	0.250%	1,260.80	16,281.80	768.39	17,050.19
9/1/2025	15,030	0.250%	1,251.41	16,281.41	768.39	17,049.80
12/1/2025	15,040	0.250%	1,242.01	16,282.01	768.39	17,050.40
3/1/2026	15,049	0.250%	1,232.61	16,281.61	768.39	17,050.00
6/1/2026	15,058	0.250%	1,223.21	16,281.21	768.39	17,049.60
9/1/2026	15,068	0.250%	1,213.80	16,281.80	768.39	17,050.19
12/1/2026	15,077	0.250%	1,204.38	16,281.38	768.39	17,049.77
3/1/2027	15,087	0.250%	1,194.96	16,281.96	768.39	17,050.35
6/1/2027	15,096	0.250%	1,185.53	16,281.53	768.39	17,049.92
9/1/2027	15,105	0.250%	1,176.09	16,281.09	768.39	17,049.48
12/1/2027	15,115	0.250%	1,166.65	16,281.65	768.39	17,050.04
3/1/2028	15,124	0.250%	1,157.21	16,281.21	768.39	17,049.60
6/1/2028	15,134	0.250%	1,147.75	16,281.75	768.39	17,050.14
9/1/2028	15,143	0.250%	1,138.29	16,281.29	768.39	17,049.68
12/1/2028	15,153	0.250%	1,128.83	16,281.83	768.39	17,050.22
3/1/2029	15,162	0.250%	1,119.36	16,281.36	768.39	17,049.75
6/1/2029	15,172	0.250%	1,109.88	16,281.88	768.39	17,050.27
9/1/2029	15,181	0.250%	1,100.40	16,281.40	768.39	17,049.79
12/1/2029	15,191	0.250%	1,090.91	16,281.91	768.39	17,050.30
3/1/2030	15,200	0.250%	1,081.42	16,281.42	768.39	17,049.81
6/1/2030	15,210	0.250%	1,071.92	16,281.92	768.39	17,050.31

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Net Debt Service
City of Benwood
CWSRF
\$2,404,539
0.25% Interest Rate
0.25% Administrative Fee

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Net Debt Service
9/1/2030	15,219	0.250%	1,062.41	16,281.41	768.39	17,049.80
12/1/2030	15,229	0.250%	1,052.90	16,281.90	768.39	17,050.29
3/1/2031	15,238	0.250%	1,043.38	16,281.38	768.39	17,049.77
6/1/2031	15,248	0.250%	1,033.86	16,281.86	768.39	17,050.25
9/1/2031	15,257	0.250%	1,024.33	16,281.33	768.39	17,049.72
12/1/2031	15,267	0.250%	1,014.79	16,281.79	768.39	17,050.18
3/1/2032	15,276	0.250%	1,005.25	16,281.25	768.39	17,049.64
6/1/2032	15,286	0.250%	995.70	16,281.70	768.39	17,050.09
9/1/2032	15,295	0.250%	986.15	16,281.15	768.39	17,049.54
12/1/2032	15,305	0.250%	976.59	16,281.59	768.39	17,049.98
3/1/2033	15,315	0.250%	967.02	16,282.02	768.39	17,050.41
6/1/2033	15,324	0.250%	957.45	16,281.45	768.39	17,049.84
9/1/2033	15,334	0.250%	947.87	16,281.87	768.39	17,050.26
12/1/2033	15,343	0.250%	938.29	16,281.29	768.39	17,049.68
3/1/2034	15,353	0.250%	928.70	16,281.70	768.39	17,050.09
6/1/2034	15,362	0.250%	919.11	16,281.11	768.39	17,049.50
9/1/2034	15,372	0.250%	909.50	16,281.50	768.39	17,049.89
12/1/2034	15,382	0.250%	899.90	16,281.90	768.39	17,050.29
3/1/2035	15,391	0.250%	890.28	16,281.28	768.39	17,049.67
6/1/2035	15,401	0.250%	880.66	16,281.66	768.39	17,050.05
9/1/2035	15,411	0.250%	871.04	16,282.04	768.39	17,050.43
12/1/2035	15,420	0.250%	861.41	16,281.41	768.39	17,049.80
3/1/2036	15,430	0.250%	851.77	16,281.77	768.39	17,050.16
6/1/2036	15,439	0.250%	842.13	16,281.13	768.39	17,049.52
9/1/2036	15,449	0.250%	832.48	16,281.48	768.39	17,049.87
12/1/2036	15,459	0.250%	822.82	16,281.82	768.39	17,050.21
3/1/2037	15,468	0.250%	813.16	16,281.16	768.39	17,049.55
6/1/2037	15,478	0.250%	803.49	16,281.49	768.39	17,049.88
9/1/2037	15,488	0.250%	793.82	16,281.82	768.39	17,050.21
12/1/2037	15,497	0.250%	784.14	16,281.14	768.39	17,049.53
3/1/2038	15,507	0.250%	774.45	16,281.45	768.39	17,049.84
6/1/2038	15,517	0.250%	764.76	16,281.76	768.39	17,050.15
9/1/2038	15,526	0.250%	755.06	16,281.06	768.39	17,049.45
12/1/2038	15,536	0.250%	745.36	16,281.36	768.39	17,049.75
3/1/2039	15,546	0.250%	735.65	16,281.65	768.39	17,050.04
6/1/2039	15,556	0.250%	725.93	16,281.93	768.39	17,050.32
9/1/2039	15,565	0.250%	716.21	16,281.21	768.39	17,049.60
12/1/2039	15,575	0.250%	706.48	16,281.48	768.39	17,049.87
3/1/2040	15,585	0.250%	696.75	16,281.75	768.39	17,050.14
6/1/2040	15,595	0.250%	687.01	16,282.01	768.39	17,050.40
9/1/2040	15,604	0.250%	677.26	16,281.26	768.39	17,049.65
12/1/2040	15,614	0.250%	667.51	16,281.51	768.39	17,049.90
3/1/2041	15,624	0.250%	657.75	16,281.75	768.39	17,050.14
6/1/2041	15,634	0.250%	647.98	16,281.98	768.39	17,050.37
9/1/2041	15,643	0.250%	638.21	16,281.21	768.39	17,049.60
12/1/2041	15,653	0.250%	628.43	16,281.43	768.39	17,049.82
3/1/2042	15,663	0.250%	618.65	16,281.65	768.39	17,050.04

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Net Debt Service
City of Benwood
CWSRF
\$2,404,539
0.25% Interest Rate
0.25% Administrative Fee

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Net Debt Service
6/1/2042	15,673	0.250%	608.86	16,281.86	768.39	17,050.25
9/1/2042	15,682	0.250%	599.07	16,281.07	768.39	17,049.46
12/1/2042	15,692	0.250%	589.27	16,281.27	768.39	17,049.66
3/1/2043	15,702	0.250%	579.46	16,281.46	768.39	17,049.85
6/1/2043	15,712	0.250%	569.64	16,281.64	768.39	17,050.03
9/1/2043	15,722	0.250%	559.82	16,281.82	768.39	17,050.21
12/1/2043	15,732	0.250%	550.00	16,282.00	768.39	17,050.39
3/1/2044	15,741	0.250%	540.17	16,281.17	768.39	17,049.56
6/1/2044	15,751	0.250%	530.33	16,281.33	768.39	17,049.72
9/1/2044	15,761	0.250%	520.48	16,281.48	768.39	17,049.87
12/1/2044	15,771	0.250%	510.63	16,281.63	768.39	17,050.02
3/1/2045	15,781	0.250%	500.78	16,281.78	768.39	17,050.17
6/1/2045	15,791	0.250%	490.91	16,281.91	768.39	17,050.30
9/1/2045	15,801	0.250%	481.04	16,282.04	768.39	17,050.43
12/1/2045	15,810	0.250%	471.17	16,281.17	768.39	17,049.56
3/1/2046	15,820	0.250%	461.29	16,281.29	768.39	17,049.68
6/1/2046	15,830	0.250%	451.40	16,281.40	768.39	17,049.79
9/1/2046	15,840	0.250%	441.50	16,281.50	768.39	17,049.89
12/1/2046	15,850	0.250%	431.60	16,281.60	768.39	17,049.99
3/1/2047	15,860	0.250%	421.70	16,281.70	768.39	17,050.09
6/1/2047	15,870	0.250%	411.79	16,281.79	768.39	17,050.18
9/1/2047	15,880	0.250%	401.87	16,281.87	768.39	17,050.26
12/1/2047	15,890	0.250%	391.94	16,281.94	768.39	17,050.33
3/1/2048	15,900	0.250%	382.01	16,282.01	768.39	17,050.40
6/1/2048	15,909	0.250%	372.07	16,281.07	768.39	17,049.46
9/1/2048	15,919	0.250%	362.13	16,281.13	768.39	17,049.52
12/1/2048	15,929	0.250%	352.18	16,281.18	768.39	17,049.57
3/1/2049	15,939	0.250%	342.23	16,281.23	768.39	17,049.62
6/1/2049	15,949	0.250%	332.26	16,281.26	768.39	17,049.65
9/1/2049	15,959	0.250%	322.30	16,281.30	768.39	17,049.69
12/1/2049	15,969	0.250%	312.32	16,281.32	768.39	17,049.71
3/1/2050	15,979	0.250%	302.34	16,281.34	768.39	17,049.73
6/1/2050	15,989	0.250%	292.35	16,281.35	768.39	17,049.74
9/1/2050	15,999	0.250%	282.36	16,281.36	768.39	17,049.75
12/1/2050	16,009	0.250%	272.36	16,281.36	768.39	17,049.75
3/1/2051	16,019	0.250%	262.36	16,281.36	768.39	17,049.75
6/1/2051	16,029	0.250%	252.34	16,281.34	768.39	17,049.73
9/1/2051	16,039	0.250%	242.33	16,281.33	768.39	17,049.72
12/1/2051	16,049	0.250%	232.30	16,281.30	768.39	17,049.69
3/1/2052	16,059	0.250%	222.27	16,281.27	768.39	17,049.66
6/1/2052	16,069	0.250%	212.23	16,281.23	768.39	17,049.62
9/1/2052	16,079	0.250%	202.19	16,281.19	768.39	17,049.58
12/1/2052	16,089	0.250%	192.14	16,281.14	768.39	17,049.53
3/1/2053	16,099	0.250%	182.09	16,281.09	768.39	17,049.48
6/1/2053	16,110	0.250%	172.02	16,282.02	768.39	17,050.41
9/1/2053	16,120	0.250%	161.95	16,281.95	768.39	17,050.34
12/1/2053	16,130	0.250%	151.88	16,281.88	768.39	17,050.27

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Net Debt Service*City of Benwood**CWSRF**\$2,404,539**0.25% Interest Rate**0.25% Administrative Fee*

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Net Debt Service
3/1/2054	16,140	0.250%	141.80	16,281.80	768.39	17,050.19
6/1/2054	16,150	0.250%	131.71	16,281.71	768.39	17,050.10
9/1/2054	16,160	0.250%	121.62	16,281.62	768.39	17,050.01
12/1/2054	16,170	0.250%	111.52	16,281.52	768.39	17,049.91
3/1/2055	16,180	0.250%	101.41	16,281.41	768.39	17,049.80
6/1/2055	16,190	0.250%	91.30	16,281.30	768.39	17,049.69
9/1/2055	16,200	0.250%	81.18	16,281.18	768.39	17,049.57
12/1/2055	16,211	0.250%	71.05	16,282.05	768.39	17,050.44
3/1/2056	16,221	0.250%	60.92	16,281.92	768.39	17,050.31
6/1/2056	16,231	0.250%	50.78	16,281.78	768.39	17,050.17
9/1/2056	16,241	0.250%	40.64	16,281.64	768.39	17,050.03
12/1/2056	16,251	0.250%	30.49	16,281.49	768.39	17,049.88
3/1/2057	16,261	0.250%	20.33	16,281.33	768.39	17,049.72
6/1/2057	16,271	0.250%	10.17	16,281.17	768.65	17,049.82
2,404,539			119,100.71	2,523,639.71	119,100.71	2,642,740.42

The quarterly administration fee is calculated based upon 0.25% of the loan payments and will be \$768.39, with a final payment of \$768.65, to total \$119,100.71.

(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:

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BENWOOD
SEWER REVENUE BONDS, SERIES 2017 B
(WEST VIRGINIA SRF PROGRAM/FORGIVABLE)

No. BR-1

SPECIMEN

\$1,000,000

KNOW ALL MEN BY THESE PRESENTS: The 11th day of July, 2017, that the CITY OF BENWOOD, a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of ONE MILLION DOLLARS (\$1,000,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously forgiven, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference. The Series 2017 B Bonds are not subject to the SRF Administrative Fee (as defined in the hereinafter described Bond Legislation).

This Bond shall bear no interest. The principal amounts advanced under the Series 2017 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2017 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority on behalf of the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the Issuer, the Authority and the DEP, dated July 11, 2017.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance hereof and related costs. The existing public sewerage system of the Issuer, the Project, 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on January 10, 2017, and a Supplemental Resolution duly adopted by the Issuer on June 27, 2017 (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 FORGIVABLE AND HAS NO LIEN ON THE NET REVENUES OR GROSS REVENUES OF THE SYSTEM.

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

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the Costs of the Project and costs of issuance described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the Registered Owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF BENWOOD has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Clerk, and has caused this Bond to be dated the day and year first written above.

[SEAL]

Edward M. Kuca Jr.
Mayor

ATTEST:

Melodie L. Phor
Clerk Assistant

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2017 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below.

Date: July 11, 2017.

UNITED BANK, INC.
as Registrar



Authorized Officer

EXHIBIT A
RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(1) \$-0-	07/11/2017	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL \$ _____

(Form of)

ASSIGNMENT

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

Dated: _____, 20 ____.

In the presence of:



STEPTOE &
JOHNSON
PLLC
ATTORNEYS AT LAW

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Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.stepto-johnson.com

Writer's Contact Information

July 11, 2017

City of Benwood
Sewer Revenue Bonds, Series 2017 A
(West Virginia SRF Program)

City of Benwood
Benwood, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel to the City of Benwood (the "Issuer"), a municipal corporation and political subdivision of the State of West Virginia in connection with its \$2,404,539 Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), dated the date hereof (the "Bonds").

We have examined the law and a certified copy of proceedings and other papers relating to the authorization of (i) a Bond Purchase Agreement dated July 11, 2017, including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Department of Environmental Protection (the "DEP"), and (ii) the Bonds to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Bonds are issued in the principal amount of \$2,404,539, in the form of one bond, bearing interest in the amount of 0.25% per annum, registered as to principal and interest to the Authority, with principal of and interest on the Bonds payable quarterly on March 1, June 1, September 1, and December 1 of each year, beginning December 1, 2018, to and including June 1, 2057 all as set forth in "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Bonds. The Series 2017 A Bonds are subject to an SRF Administrative Fee of 0.25% as set forth in the Schedule Y attached to the Bond Purchase Agreement.

The Bonds are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the public sewerage system of the Issuer (the "Project"); and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of Chapter 16, Article 13 and Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and the Bond

Ordinance duly enacted by the Issuer on January 10, 2017, as supplemented by the Supplemental Resolution duly adopted by the Issuer on June 27, 2017 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Bond Purchase Agreement has been undertaken. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Bond Purchase Agreement. All capitalized terms used herein and not defined herein shall have the same meanings set forth in the Bond Legislation.

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

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

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

3. The Issuer is a duly organized and presently existing municipal corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

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

5. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with the Issuer's: (i) Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated December 20, 2000, issued in the original aggregate principal amount of \$318,300 (the "Series 2000 A Bonds"); and (ii) Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), dated December 20, 2000, issued in the original aggregate principal amount of \$245,600 (the "Series 2000 B Bonds"), (collectively, the "Prior Bonds").

6. The Bonds are, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

No opinion is given herein as to the effect upon enforceability of the Bonds of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights or in the

exercise of judicial discretion in appropriate cases.

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

Very truly yours,


STEPTOE & JOHNSON PLLC

Berry, Kessler, Crutchfield, Taylor & Gordon

Attorneys at Law

514 Seventh Street
Moundsville, WV 26041

Rodney T. Berry (1948-2013)
Jeffrey V. Kessler
Diana H. Crutchfield
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Website: bkctg.com
Firm Email: bkandt@aol.com
Direct Email: egordon@bkctg.com

July 11, 2017

City of Benwood
Sewer Revenue Bonds, Series 2017 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2017 B
(West Virginia SRF Program/Forgivable)

City of Benwood
Benwood, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We are counsel to the City of Benwood in Marshall County, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinions of Steptoe & Johnson PLLC, as bond counsel, a Bond Purchase Agreement for the Bonds dated July 11, 2017, including all schedules and exhibits attached thereto, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP") (the "Bond Purchase Agreement"), a Bond Ordinance duly enacted by the Issuer on January 10, 2017, as supplemented by a Supplemental Resolution duly adopted by the Issuer on June 27, 2017 (collectively, the "Bond Legislation"), and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Bond Purchase Agreement when used herein.

We are of the opinion that:

1. The Issuer has been duly created and is validly existing as a municipal corporation and political subdivision of the State of West Virginia, and the Mayor, Clerk and members of the Council of the Issuer and the Sanitary Board have been duly and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act on behalf of the Issuer in their respective capacities. The Sanitary Board has been duly created by the Issuer and is validly existing as a sanitary board under the Act.

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

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

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

5. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, the receipt of all requisite orders and approvals from the DEP and the Public Service Commission of West Virginia and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of a sewer ordinance prescribing such sewer rates and charges dated May 24, 2016. The ordinance remains in full force and effect.

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

7. We have ascertained that all successful bidders have provided the drug-free workplace affidavit, submitted their drug-free workplace plan and the contracts contain language that complies with the Drug-Free Workplace Act, Article 1D, Chapter 21 of the West Virginia

Code. We have also ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy. Based upon our review of the submitted bids, the surety bonds or other evidence of insurance coverage in connection with the bids, we are of the opinion that such surety bonds and policies (1) are in compliance with the project bidding specifications and requirements; (2) are adequate in form, substance and amount to protect the various interests of the Issuer; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Bond Legislation and the Bond Purchase Agreement; and (5) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

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

Sincerely,

A handwritten signature in blue ink, consisting of a stylized 'B' followed by a series of loops and a long horizontal stroke.

BERRY, KESSLER, CRUTCHFIELD, TAYLOR & GORDON



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Writer's Contact Information

July 11, 2017

City of Benwood
Sewer Revenue Bonds, Series 2017 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2017 B
(West Virginia SRF Program/Forgivable)

City of Benwood
Benwood, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

We are special counsel to the City of Benwood, a municipality in Marshall County, West Virginia (the "Issuer"). As such counsel, we have represented the Issuer before the Public Service Commission of West Virginia in connection with the issuance of the above-referenced bonds, and the acquisition and construction of the Project. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Bond Purchase Agreement when used herein.

We are of the opinion that the Issuer has received all orders and approvals from the Public Service Commission of West Virginia, including the Recommended Decision entered on November 1, 2016, which became Final Order on November 21, 2016 in Case No. 16-0614-S-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project. The time for appeal of the Order has expired prior to the date hereof. An Affidavit of CPA dated June 23, 2017 was filed pursuant to such Order. Such Order remains in full force and effect.

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

Very truly yours,



STEPTOE & JOHNSON PLLC

Berry, Kessler, Crutchfield, Taylor & Gordon

Attorneys at Law

514 Seventh Street
Moundsville, WV 26041

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Website: bkctg.com
Firm Email: bkcandt@aol.com
Direct Email: egordon@bkctg.com

June 1, 2017

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

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

Re: Final Title Opinion for City of Benwood

Ladies and Gentlemen:

We are counsel to the City of Benwood (the "Issuer") in connection with a proposed sanitary sewer project to construct new sanitary service in the City of Benwood hereinafter (the "Project"). We provide this final title opinion on behalf of the Issuer to satisfy the requirements of the West Virginia Department of Environmental Protection (the "DEP") for the Project. Please be advised of the following:

1. We are of the opinion that the Issuer is a duly created and validly existing municipality possessed with all the powers and authority granted to municipalities under the laws of the State of West Virginia to construct, operate and maintain the Project.
2. The Issuer has obtained all necessary permits and approvals for the construction for the Project provided the permit to be obtained from CSX Transportation has been executed by the City of Benwood but a counter signed copy from CSX has not yet been obtained.
3. We have investigated and ascertained the location of, and are familiar with the legal description of, the necessary sites, including easements and/or rights of way, required for the Project as set forth in the plans for the Project prepared by Burgess and Niple, the consulting engineers for the Project.

4. We have examined the records on file in the Office of the Clerk of the County Commission of Marshall County, West Virginia, the county in which the Project is to be located, and, in our opinion, the Issuer has acquired legal title or such other estate or interest in all the necessary site components for the Project, including all easements and/or rights of way, with the exception of those listed in Paragraph 5, sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the estimated life of the facility.
5. The following listed property has been acquired by eminent domain the necessary filings having been made in the Office of the clerk of the Circuit Court of Marshall County, West Virginia, to permit the Issuer a right-of-entry for the purpose of construction, operation and maintenance of the Project on the subject properties. The Issuer's title thereto is defeasible in the event the Issuer does not satisfy any resulting judgment and/or award in the proceedings for acquisition of said property, and our certification is subject to the following pending litigation:

Name	Tax Map	Parcel
Charles E. Chambers & Sonja Chambers	9	1

At this time a proposed agreement has been reached to resolve the compensation to be awarded for acquisition in the amount of \$800.00. This has yet to be confirmed by council for the City of Benwood.

6. All deeds, easements and right of way which have been acquired to date by the Issuer have been duly recorded in the Office of the clerk of the County Commission of Marshall County to protect the legal title to and interest of the Issuer.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Eric M. Gordon', with a stylized flourish at the end.

Eric M. Gordon, Esquire

WV Municipal Bond Commission
900 Pennsylvania Avenue
Suite 1117
Charleston, WV 25302
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: July 11, 2017

ISSUE: <u>City of Benwood</u> <u>Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program)</u>	
ADDRESS: <u>430 Main Street, Benwood, WV 26031</u>	COUNTY: <u>Marshall</u>
PURPOSE OF ISSUE: New Money: <u>X</u> Refunding: _____	
ISSUE DATE: <u>July 11, 2017</u>	REFUNDS ISSUE(S) DATED: <u>NA</u>
ISSUE AMOUNT: <u>\$2,404,539</u>	CLOSING DATE: <u>July 11, 2017</u>
1ST DEBT SERVICE DUE: <u>12/01/2018</u>	RATE: <u>0.25% interest; 0.25% admin</u>
1ST DEBT SERVICE AMOUNT <u>\$16,281.84</u>	1ST PRINCIPAL DUE <u>12/01/2018</u>
PAYING AGENT: <u>Municipal Bond Commission</u>	
BOND COUNSEL: Firm: <u>Septoe & Johnson PLLC</u> Contact: <u>John Stump, Esquire</u> Phone: <u>(304) 353.8196</u>	
UNDERWRITERS COUNSEL Firm: <u>Jackson Kelly, PLLC</u> Contact: <u>Samme Gee, Esquire</u> Phone: <u>(304) 340-1318</u>	
CLOSING BANK: Bank: <u>WesBanco</u> Contact: <u>Katrina Bonar</u> Phone: <u>304.232.5750</u>	
ESCROW TRUSTEE: Firm: _____ Contact: _____ Phone: _____	
KNOWLEDGEABLE ISSUER CONTACT Contact: <u>Judy Hunt</u> Position: <u>Clerk</u> Phone: <u>304.232.4320</u>	
OTHER: Agency: <u>WV Department of Environmental Protection</u> Contact: <u>Kimberly Henderson</u> Position: _____ Phone: <u>304.926.0499 x 1608</u>	
DEPOSITS TO MBC AT CLOSE By: _____ Wire _____ _____ Check _____ Accrued Interest: \$ _____ Capitalized Interest: \$ _____ Reserve Account: \$ _____ Other: \$ _____	
REFUNDS & TRANSFERS BY MBC AT CLOSE By: _____ Wire _____ _____ Check _____ _____ IGT _____ To Escrow Trustee: \$ _____ To Issuer: \$ _____ To Cons. Invest. Fund: \$ _____ To Other: \$ _____	
NOTES: <u>The Series 2017 A Bonds Reserve Account will be funded over 10 years.</u> _____ _____	
FOR MUNICIPAL BOND COMMISSION USE ONLY: DOCUMENTS REQUIRED: _____ TRANSFERS REQUIRED: _____ _____	

WV Municipal Bond Commission
900 Pennsylvania Avenue
Suite 1117
Charleston, WV 25302
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: July 11, 2017

ISSUE: City of Benwood
Sewer Revenue Bonds, Series 2017 B (West Virginia SRF Program/Forgivable)
ADDRESS: 430 Main Street, Benwood, WV 26031 COUNTY: Marshall
PURPOSE OF ISSUE:
New Money: X
Refunding: _____
ISSUE DATE: July 11, 2017 REFUNDS ISSUE(S) DATED: NA
CLOSING DATE: July 11, 2017
ISSUE AMOUNT: \$1,000,000 RATE: Forgivable
1ST DEBT SERVICE DUE: NA 1ST PRINCIPAL DUE NA
1ST DEBT SERVICE AMOUNT NA PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Firm: Steptoe & Johnson PLLC
Contact John Stump, Esquire
Phone: (304) 353.8196
CLOSING BANK: Bank: WesBanco
Contact: Katrina Bonar
Phone: 304.232.5750
KNOWLEDGEABLE ISSUER CONTACT Contact: Judy Hunt
Position: Clerk
Phone: 304.232.4320
UNDERWRITERS COUNSEL Firm: Jackson Kelly, PLLC
Contact: Samme Gee, Esquire
Phone: (304) 340-1318
ESCROW TRUSTEE: Firm: _____
Contact: _____
Phone: _____
OTHER: Agency: WV Department of Environmental Protection
Contact: Kimberly Henderson
Position: _____
Phone: 304.926.0499 x 1608

DEPOSITS TO MBC AT CLOSE
By: _____ Wire _____ Accrued Interest: \$ _____
_____ Check _____ Capitalized Interest: \$ _____
_____ Reserve Account: \$ _____
_____ Other: \$ _____

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: _____ Wire _____ To Escrow Trustee \$ _____
_____ Check _____ To Issuer \$ _____
_____ IGT _____ To Cons. Invest. Fund \$ _____
_____ To Other: _____ \$ _____

NOTES: The Series 2017 B Bonds are forgivable. No accounts are set up at the Municipal Bond Commission

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: _____
TRANSFERS REQUIRED: _____

SWEEP RESOLUTION

WHEREAS, the City of Benwood (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 Clerk 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 27th day of June, 2017.



Mayor



Clerk - Assistant

CITY OF BENWOOD

Sewer Revenue Bonds, Series 2017 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2017 B
(West Virginia SRF Program/Forgivable)

ACCEPTANCE OF DUTIES AS REGISTRAR

United Bank, Inc., Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the City of Benwood Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), dated July 11, 2017, in the aggregate principal amount of \$2,404,539 and Sewer Revenue Bonds, Series 2017 B (West Virginia SRF Program/Forgivable), dated July 11, 2017, in the aggregate principal amount of \$1,000,000 (collectively, the "Series 2017 Bonds"), and agrees to perform all duties of Registrar in connection with the Series 2017 Bonds, all as set forth in the Bond Legislation authorizing issuance of the Series 2017 Bonds.

WITNESS my signature on this 11th day of July, 2017.

UNITED BANK, INC.

By: 

Its: Authorized Officer

CITY OF BENWOOD

Sewer Revenue Bonds, Series 2017 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2017 B
(West Virginia SRF Program/Forgivable)

CERTIFICATE OF REGISTRATION OF BONDS

UNITED BANK, INC., Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of the City of Benwood (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), of the Issuer, dated July 11, 2017, in the principal amount of \$2,404,539, numbered AR-1, and the single, fully registered Sewer Revenue Bonds, Series 2017 B (West Virginia SRF Program/Forgivable), of the Issuer, dated July 11, 2017, in the principal amount of \$1,000,000, numbered BR-1, were registered as to principal and interest, if any, in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of United Bank, Inc., as Registrar.

WITNESS my signature on this 11th day of July, 2017.

UNITED BANK, INC.

By: _____

Its: Authorized Officer

CITY OF BENWOOD

Sewer Revenue Bonds, Series 2017 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2017 B
(West Virginia SRF Program/Forgivable)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 11th day of July, 2017, by and between the CITY OF BENWOOD, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and UNITED BANK, INC., Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$2,404,539 Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), and \$1,000,000 Sewer Revenue Bonds, Series 2017 B (West Virginia SRF Program/Forgivable), in fully registered form (the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted January 10, 2017, and a Supplemental Resolution of the Issuer duly adopted June 27, 2017 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver the Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest, if any, on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Bond Legislation, the terms of the Bond Legislation shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Bond Legislation will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: City of Benwood
430 Main Street
Benwood, West Virginia 26031
Attention: Mayor

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

8. The Registrar shall not discriminate on the basis of race, color, national origin or sex in the performance of this Agreement. The Registrar shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the Registrar to carry out these requirements is a material breach of this Agreement which may result in the termination of this Agreement or other legal available remedies.

9. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Bond Legislation.

10. 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.

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

CITY OF BENWOOD

By: Edward M Kuca Jr.
Its: Mayor

UNITED BANK, INC.

By: K. J. Smith
Its: Authorized Officer

066650.00006

EXHIBIT A

Bond Legislation included in bond transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

(See attached)

CITY OF BENWOOD

Sewer Revenue Bonds, Series 2017 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2017 B
(West Virginia SRF Program/Forgivable)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

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

We, the undersigned MAYOR and CLERK of the City of Benwood in Marshall County, West Virginia (the "Issuer"), and the undersigned COUNSEL to the ISSUER, hereby certify this 11th day of July, 2017, in connection with the Issuer's Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), issued in the original aggregate principal amount of \$2,404,539 (the "Series 2017 A Bonds"), and Sewer Revenue Bonds, Series 2017 B (West Virginia SRF Program/Forgivable), issued in the original aggregate principal amount of \$1,000,000 (the "Series 2017 B Bonds"), both dated the date hereof (collectively, the "Series 2017 Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond Ordinance of the Issuer duly enacted January 10, 2017 and the Supplemental Resolution duly adopted June 27, 2017 (collectively, the "Bond Legislation").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Series 2017 Bonds, the acquisition and construction of the Project, the operation of the System, the receipt of the Net Revenues or any grants, or in any way contesting or affecting the validity of the Series 2017 Bonds, or any proceedings of the Issuer taken with respect to the issuance or sale of the Series 2017 Bonds, the pledge or application of the Net Revenues or any other monies or security provided for the payment of the Series 2017 A Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Series 2017 Bonds, the acquisition and construction of the Project, the operation of the System, the collection of the Gross Revenues or the pledge of Net Revenues as security for the Series 2017 A Bonds.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System, the imposition of rates and charges, and the issuance of the Series 2017 Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the West Virginia Code of 1931, as amended, which bids remain in full force and effect.

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

The Issuer will have the following Outstanding obligations which will rank on a parity with the Series 2017 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's: (i) Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated December 20, 2000, issued in the original aggregate principal amount of \$318,300 (the "Series 2000 A Bonds"); and (ii) Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), dated December 20, 2000, issued in the original aggregate principal amount of \$245,600 (the "Series 2000 B Bonds"), (collectively, the "Prior Bonds").

The Series 2017 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all respects. Prior to the issuance of the Series 2017 Bonds, the Issuer will obtain: (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met; and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2017 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with the covenants of the Prior Bonds and the Prior Ordinances.

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

Bond Ordinance
 Supplemental Resolution
 Bond Purchase Agreement
 Public Service Commission Orders
 Infrastructure and Jobs Development Council Approval
 Charter and Rules of Procedure
 Oaths of Office of Officers and Board of Directors
 Ordinance Creating Sanitary Board
 Petition of Sanitary Board
 Sewer Rate Ordinance
 Affidavit of Publication of Sewer Rate Ordinance and Notice of Public Hearing
 Minutes on Adoption and Enactment of Sewer Rate Ordinance
 Affidavit of Publication of Abstract of Bond Ordinance and Notice of Public Hearing
 Minutes on Adoption and Enactment of Bond Ordinance
 NPDES Permit
 Evidence of Insurance
 Prior Bond Ordinances
 Consent of WDA

6. **INCUMBENCY AND OFFICIAL NAME:** The proper corporate title of the Issuer is the “City of Benwood.” The Issuer is a municipal corporation in Marshall County and presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Issuer is its Council, consisting of a Mayor, Clerk and eight (8) councilmembers, all duly elected or appointed, as applicable, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

<u>Name</u>	<u>Commencement Date</u>	<u>Termination Date</u>
Edward Kuca, Jr., Mayor	July 1, 2016	June 30, 2018
Curt Mele	July 1, 2016	June 30, 2018
Lori Longwell	July 1, 2016	June 30, 2018

John Kazemka	July 1, 2016	June 30, 2018
Chuck Terry	July 1, 2016	June 30, 2018
Larry Ferrera, III	July 1, 2016	June 30, 2018
Carl Richter	July 1, 2016	June 30, 2018
Bob Rose	July 1, 2016	June 30, 2018
Walter Yates	July 1, 2016	June 30, 2018

The duly appointed Clerk is Judy Hunt, the duly appointed Assistant Clerk is Melodie Yoho, duly appointed acting Counsel to the Issuer is Berry, Kessler, Crutchfield, Taylor & Gordon, Moundsville, West Virginia, and the duly appointed Special PSC Counsel is Steptoe & Johnson PLLC, Charleston, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition and construction of the Project and the operation and maintenance of the System have been acquired or can and will be acquired by purchase, or, if necessary, by condemnation by the Issuer and are adequate for such purposes and are not or will not be subject to any liens, encumbrances, reservations or exceptions which would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties which may have to be acquired by condemnation, are, in the opinion of all the undersigned, within the ability of the Issuer to pay for the same without jeopardizing the security of or payments on the Series 2017 A Bonds.

8. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the issuance of the Series 2017 Bonds and the acquisition, construction and financing of the Project or the operation of the System were authorized or adopted at regular or special meetings of the Governing Body of the Issuer duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes, including, particularly and without limitation, Chapter 6, Article 9A of the West Virginia Code of 1931, as amended, and a quorum of duly elected or appointed, as applicable, qualified and acting members of the Governing Body was present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

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

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

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

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

12. VERIFICATION OF SCHEDULE: The final Schedule B attached to the Certificate of Consulting Engineer, accurately represents the estimated Costs of the Project, the sources of funds available to pay the Costs of the Project and the costs of financing of the Series 2017 Bonds.

13. RATES: The Issuer has duly adopted a sewer rate ordinance on May 24, 2016 setting rates and charges for the services of the System. The time for appeal of such sewer rate ordinance has expired prior to the date hereof without any appeal, and such rates are currently effective.

14. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Mayor did officially sign all of the Series 2017 Bonds of the aforesaid issue, consisting upon original issuance of a single Bond of each series, dated the date hereof, by his or her manual signature, and the undersigned Clerk did officially cause the official seal of the Issuer to be affixed upon said Bonds and to be attested by his or her manual signature, and the Registrar did officially authenticate and deliver the Series 2017 Bonds to a representative of the Authority as the original purchaser of the Series 2017 Bonds under the Bond Purchase Agreement. Said official seal of the Issuer is also impressed above the signatures appearing on this certificate.

15. BOND PROCEEDS: A. On the date hereof, the Issuer received \$174,223 from the Authority and the DEP, being a portion of the principal amount of the Series 2017 A Bonds. The balance of the principal amount of the Series 2017 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

B. On the date hereof, the Issuer received \$-0- from the Authority and the DEP, being a portion of the principal amount of the Series 2017 B Bonds. The balance of the principal amount of the Series 2017 B Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

16. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the *Moundsville Daily*, a qualified newspaper published and of general circulation in the City of Benwood, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Series 2017 Bonds described in such Bond Ordinance, stating that any

person interested may appear before the Governing Body at the public hearing held at a public meeting of Governing Body on the 10th day of January, 2017, at 7:00 pm, at the City Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the Clerk of the Issuer for review by interested parties during the office hours of the Issuer. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

17. PUBLIC SERVICE COMMISSION ORDERS: The Issuer has received all orders and approvals from the Public Service Commission of West Virginia, including the Recommended Decision entered on November 1, 2016, which became Final Order on November 21, 2016 in Case No. 16-0614-S-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project. An Affidavit of CPA dated June 23, 2017 was filed pursuant to such Order. The Order remains in full force and effect.

18. SPECIMEN BONDS: Delivered concurrently herewith are true and accurate specimens of the Series 2017 Bonds.

19. CONFLICT OF INTEREST: No member, officer or employee of the Issuer or the Sanitary Board has a substantial financial interest, direct, indirect or by reason of ownership of stock in any corporation, in any contract with the Issuer or in the sale of any land, materials, supplies or services to the Issuer or to any contractor supplying the Issuer, relating to the Series 2017 Bonds, the Bond Legislation and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

20. PROCUREMENT OF ENGINEERING SERVICES: The Issuer has complied in all respects with the requirements of Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended, in the procurement of engineering services to be paid from proceeds of the Series 2017 Bonds.

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

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

WITNESS our signatures and the official seal of the CITY OF BENWOOD on the day and year first written above.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

Edward M. Kuca Jr.

Mayor

Melodie Upso

Clerk - Assistant

Stephen * John PLLC

Counsel to the Issuer

Stephen * John PLLC

Special PSC Counsel

WITNESS our signatures and the official seal of the CITY OF BENWOOD on the day and year first written above.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

Mayor

Clerk

_____

Counsel to the Issuer

Special PSC Counsel

CITY OF BENWOOD

Sewer Revenue Bonds, Series 2017 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2017 B
(West Virginia SRF Program/Forgivable)

CERTIFICATE OF ENGINEER

I, Michael P. Davis, Registered Professional Engineer, West Virginia License No. 016347, of Burgess & Niple, Inc., Parkersburg, West Virginia, hereby certify this 11th day of July, 2017, as follows:

1. My firm is engineer for the acquisition and construction of certain additions, betterments and improvements (the "Project") to the existing sewerage system (the "System") of the City of Benwood (the "Issuer"), to be constructed in Marshall County, West Virginia, which acquisition and construction are being permanently financed by the proceeds of the above-captioned bonds (collectively, the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Ordinance enacted by the Issuer on January 10, 2017, as supplemented by the Supplemental Resolution of the Issuer adopted June 27, 2017 (collectively, the "Bond Legislation") and the Bond Purchase Agreement for the Series 2017 Bonds, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), dated July 11, 2017 (the "Bond Purchase Agreement").

2. The Bonds are being issued (i) to pay a portion of the costs of acquisition and construction of the Project; and (ii) to pay certain costs of issuance and related costs.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and the Authority and any change orders approved by the Issuer, the Authority, the DEP and all necessary governmental bodies; (ii) the schematic design for the Project began before July 1, 2012; (iii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 40 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iv) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A and Berry, Kessler, Crutchfield, Taylor & Gordon, counsel to the Issuer, will ascertain that all successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds will be verified for accuracy; (v) the successful bidders received any and all addenda to the original bid documents; (vi) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of the Vendor's compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; (vii) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms

provided to the bidders contain the critical operational components of the Project; (viii) the successful bids include prices for every item on such bid forms; (ix) the uniform bid procedures were followed; (x) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (xi) the net proceeds of the Bonds, together with all other monies on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; and (xii) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Cost of Financing" for the Project.

4. The Project will serve no new customers.

[Remainder of Page Intentionally Blank]

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

BURGESS & NIPLE, INC.

(SEAL)



A handwritten signature in blue ink, appearing to read "Michael P. Davis", written over a horizontal line.

Michael P. Davis, P.E.

West Virginia License No. 016347

066650.00006

SCHEDULE B

City of Benwood

CSO Project 2012S-1325

A. Cost of Project	Total	CWSRF (0.25%; 0.25%; 40 yrs)	CWSRF (Forgivable)	City
1. Construction				
a. Contract 1 - Collection System	2,442,950	1,442,950	1,000,000	0
b. Change Order No. 1	255,944	255,944	0	0
2. Technical Services (B & N)				
a. Planning	13,100	0	0	13,100
b. Preliminary Design	24,800	0	0	24,800
c. Final Design	133,500	0	0	133,500
d. Bidding & Negotiation	16,600	16,600	0	0
e. Construction Engineering	89,700	89,700	0	0
e.1 Construction Engineering - CO1	32,900	32,900	0	0
f. Post Construction	2,900	2,900	0	0
g. Resident Project Representation	146,800	146,800	0	0
g.1 RPR-CO1	18,100	18,100	0	0
h. Special Services	221,800	108,200	0	113,600
3. Accounting (Michael Griffiths & Assoc)	30,000	0	0	30,000
4. Legal				
a. Legal & R-O-W Legal (Eric Gordon)	15,000	15,000	0	0
a.1 Legal - CO1	5,000	5,000	0	0
b. PSC Attorney (S&J)	10,000	10,000	0	0
5. Administration (Belomar)	60,000	60,000	0	0
6. Sites and Other Lands	10,000	0	0	10,000
7. Permits	40,000	40,000	0	0
8. Contingency (5% of construction)	122,148	122,148	0	0
8.a CO1 Contingency	12,797	12,797	0	0
9. Total of Lines 1 through 8	3,704,039	2,379,039	1,000,000	325,000
B. Cost of Financing				
10. Capitalized Interest	0	0	0	0
11. Bond Counsel (S&J)	25,000	25,000	0	0
12. Bank Registrar Fee	500	500	0	0
13. Funded Reserve	0	0	0	0
14. Total Cost of Financing	25,500	25,500	0	0
15. Total Project Cost (line 9 plus line 14)	3,729,539	2,404,539	1,000,000	325,000
C. Sources of Funds				
16. Federal Grant	0	0	0	0
17. State Grant	0	0	0	0
18. Local Grant (City)	325,000	0	0	325,000
21. Total Grants	325,000	0	0	325,000
22. Bond Issue Amount	3,404,539	2,404,539	1,000,000	0

City of Benwood

Burgess & Niple

Date

Date



July 11, 2017

City of Benwood
Sewer Revenue Bonds, Series 2017 A
(West Virginia SRF Program)

City of Benwood
Benwood, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges set forth in the sewer rate ordinance enacted by City of Benwood (the "Issuer") on May 24, 2016, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by Burgess & Niple, Inc., consulting engineers, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the sewerage system (the "System") of the Issuer, will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), dated July 11, 2017, issued in the original aggregate principal amount of \$2,404,539 (the "Series 2017 A Bonds"), and the Issuer's outstanding:

(i) Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated December 20, 2000, issued in the original aggregate principal amount of \$318,300 (the "Series 2000 A Bonds"); and

(ii) Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), dated December 20, 2000, issued in the original aggregate principal amount of \$245,600 (the "Series 2000 B Bonds"), (collectively, the "Prior Bonds").

It is further our opinion that the Net Revenues actually derived from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of the Series 2017 Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by the Series 2017 Bonds, are not less than 115% of the largest aggregate amount that will mature and become due in any succeeding fiscal year for the principal of and interest on the Prior Bonds and the Series 2017 Bonds.

Very truly yours,

Michael D. Griffith, CPA, AFI
Griffith & Associates, PLLC

MDG/dk

Michael D. Griffith, CPA, AFI
mgriffith@gcorpww.com

950 Little Coal River Road Alum Creek, WV 25003
Phone: (304) 756.3600 Facsimile: (304) 756.2911

CITY OF BENWOOD

Sewer Revenue Bonds, Series 2017 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2017 B
(West Virginia SRF Program/Forgivable)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Mayor of the City of Benwood in Marshall County, West Virginia (the “Issuer”), being the official of the Issuer duly charged with the responsibility for the issuance of \$2,404,539 Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), of the Issuer, dated July 11, 2017 (the “Series 2017 A Bonds”), and \$1,000,000 Sewer Revenue Bonds, Series 2017 B (West Virginia SRF Program/Forgivable), of the Issuer, dated July 11, 2017 (the “Series 2017 B Bonds”), (collectively, the “Bonds” or the “Series 2017 Bonds”), on this 11th day of July, 2017, hereby certifies as follows:

1. I am the officer of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Ordinance duly enacted by the Issuer on January 10, 2017, as supplemented by the Supplemental Resolution duly adopted by the Issuer on June 27, 2017 (the “Bond Legislation”), authorizing the Bonds.

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

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on July 11, 2017, the date on which the Bonds are being physically delivered in exchange for an initial advance of \$174,223, being a portion of the principal amount of the Series 2017 A Bonds, and \$-0-, being a portion of the principal amount of the Series 2017 B Bonds and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

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

5. The Series 2017 A Bonds were sold on July 11, 2017, to the Authority, pursuant to a Bond Purchase Agreement dated July 11, 2017, by and among the Issuer, the Authority and the DEP, for an aggregate purchase price of \$2,404,539 (100% of par), at which time, the Issuer received \$174,223 from the Authority and the DEP, being the first advance of the principal amount of the Series 2017 A

Bonds. No accrued interest has been or will be paid on the Series 2017 A Bonds. The balance of the principal amount of the Series 2017 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2017 B Bonds were sold on July 11, 2017, to the Authority, pursuant to a Bond Purchase Agreement dated July 11, 2017, by and among the Issuer, the Authority and the DEP, for an aggregate purchase price of \$1,000,000 (100% of par), at which time, the Issuer received \$-0- from the Authority and the DEP, being the first advance of the principal amount of the Series 2017 B Bonds. No accrued interest has been or will be paid on the Series 2017 B Bonds. The balance of the principal amount of the Series 2017 B Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

7. The Series 2017 Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance of the Bonds and related costs.

8. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds deposited in the Series 2017 A Bonds Reserve Account, if any, all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of Costs of the Project on or before September 1, 2018. The acquisition and construction of the Project is expected to be completed by May 1, 2018.

9. The total Cost of the Project is estimated at \$3,729,539. Sources and uses of funds for the Project are as follows:

SOURCES

Proceeds of the Series 2017 A Bonds	\$2,404,539
Proceeds of the Series 2017 B Bonds	1,000,000
<u>Issuer Contribution</u>	<u>325,000</u>
Total Sources	\$3,729,539

USES

Costs of Acquisition and	
Construction of the Project	\$3,704,039
<u>Costs of Issuance</u>	<u>25,500</u>
Total Uses	\$3,729,539

10. Pursuant to Article V of the Bond Legislation, the following special funds or accounts have been created or continued relative to the Series 2017 Bonds:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund;
- (3) Series 2017 Bonds Construction Trust Fund;
- (4) Series 2017 A Bonds Sinking Fund; and
- (5) Series 2017 A Bonds Reserve Account.

11. Pursuant to Article VI of the Bond Legislation, the proceeds of the Bonds will be deposited as follows:

(1) Series 2017 A Bonds proceeds in the amount of \$-0- will be deposited in the Series 2017 A Bonds Sinking Fund to cover capitalized interest.

(2) Series 2017 A Bonds proceeds in the amount of \$-0- will be deposited in the Series 2017 A Bonds Reserve Account.

(3) The balance of the proceeds of the Series 2017 A Bonds will be deposited in the Series 2017 Bonds Construction Trust Fund as received from time to time and applied solely to payment of Costs of the Project, including costs of issuance of the Series 2017 A Bonds and related costs.

(4) The proceeds of the Series 2017 B Bonds will be deposited in the Series 2017 Bonds Construction Trust Fund as received from time to time and applied solely to payment of Costs of the Project, including costs of issuance of the Series 2017 B Bonds and related costs.

12. Monies held in the Series 2017 A Bonds Sinking Fund will be used solely to pay principal of and interest on, if any, the Series 2017 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on monies in the Series 2017 A Bonds Sinking Fund and Series 2017 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2017 Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Legislation.

13. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The acquisition and construction of the Project is expected to be completed within 8 months of the date hereof.

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

15. With the exception of the amount deposited in the Series 2017 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 14 months from the date of issuance thereof.

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

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

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

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

20. The original proceeds of the Bonds will not exceed the amount necessary for the purposes of the issue.

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

22. The Bonds are not federally guaranteed.

23. The Issuer has retained the right to amend the Bond Legislation authorizing the issuance of the Bonds if such amendment is necessary to assure that the Bonds remain public purpose or governmental bonds.

24. The Issuer has either (a) funded the Series 2017 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2017 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2017 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year. Monies in the Series 2017 A Bonds Reserve Account and the Series 2017 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Bonds and will not be available to pay Costs of the Project.

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

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

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

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

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

CITY OF BENWOOD

By: Edward M. Kuca Jr.
Its: Mayor