CITY OF CHARLES TOWN
(WEST VIRGINIA)

COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BONDS, SERIES 2014 C (AMT);

COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE);

AND

COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BONDS, SERIES 2014 E (BANK QUALIFIED)

CONFORMED BOND ORDINANCE

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CITY OF CHARLES TOWN
(WEST VIRGINIA)

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2003 A (AMT); COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A (TAXABLE) AND COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 B (TAX-EXEMPT) AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $1,000,000; COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $1,800,000; AND COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $1,800,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX AND NON-ARBITRAGE CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the City of Charles Town (the "Issuer" or the "City") presently owns and operates, through the City of Charles Town Utility Board (the "Board"), a combined municipal waterworks and sewerage system (the "System") and has heretofore financed the acquisition and construction of the System and certain additions, betterments and improvements thereto through the issuance of several series of bonds or refunding bonds, of which there are presently outstanding the Prior Bonds, as hereinafter defined;

WHEREAS, all of the Prior Bonds were issued pursuant to ordinances of the Issuer previously enacted (such ordinances, as so amended and supplemented, collectively herein called the "Prior Ordinances");

WHEREAS, under the provisions of Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), the Issuer is authorized to issue refunding revenue bonds for the purpose of refunding, paying or discharging all or any part of its outstanding revenue bonds, including interest thereon;

WHEREAS, the Issuer has determined and hereby determines that present value debt service savings would result from the Issuer's current refunding of its outstanding Combined Waterworks and Sewerage System Revenue Bonds, Series 2003 A (AMT - Uninsured), dated January 15, 2003, issued in the original aggregate principal amount of $1,000,000 (the "Series 2003 A Bonds");

WHEREAS, the Issuer has determined that it is in the best interests of the inhabitants of the City of Charles Town and other users of the System to currently refund its outstanding Series 2003 A Bonds;

WHEREAS, the Issuer has determined that the aforementioned refunding of the Series 2003 A Bonds should be financed with the proceeds from the issuance of the City's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C, in the original aggregate principal amount of not more than $1,000,000 (the "Series 2014 C Bonds"), such Series 2014 C Bonds to be secured by and payable from the Gross Revenues (as hereinafter defined) of the System; and

WHEREAS, the Issuer has determined and hereby determines that it is in the best interests of the residents of the City that its Series 2014 C Bonds be sold to the Original Purchaser (as hereinafter defined) thereof pursuant to the terms and provisions of a bond purchase agreement (the "Bond Purchase Agreement") between the Issuer and the Original Purchaser.

WHEREAS, the Issuer has determined and hereby determines that present value debt service savings would result from the Issuer's current refunding of its outstanding Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A (Taxable), dated January 9, 2006, issued in the original aggregate principal amount of $1,830,000 (the "Series 2006 A Bonds");

WHEREAS, the Issuer has determined that it is in the best interests of the inhabitants of the City of Charles Town and other users of the System to currently refund its outstanding Series 2006 A Bonds;

WHEREAS, the Issuer has determined that the aforementioned refunding of the Series 2006 A Bonds should be financed with the proceeds from the issuance of the City's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D, in the original aggregate principal amount of not more than $1,800,000 (the "Series 2014 D Bonds"),

such Series 2014 D Bonds to be secured by and payable from the Gross Revenues (as hereinafter defined) of the System; and

WHEREAS, the Issuer has determined and hereby determines that it is in the best interests of the residents of the City that its Series 2014 D Bonds be sold to the Original Purchaser (as hereinafter defined) thereof pursuant to the terms and provisions of a bond purchase agreement (the "Bond Purchase Agreement") between the Issuer and the Original Purchaser.

WHEREAS, the Issuer has determined and hereby determines that present value debt service savings would result from the Issuer's current refunding of its outstanding Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 B (Tax-Exempt), dated July 27, 2006, issued in the original aggregate principal amount of $2,000,000 (the "Series 2006 B Bonds");

WHEREAS, the Issuer has determined that it is in the best interests of the inhabitants of the City of Charles Town and other users of the System to currently refund its outstanding Series 2006 B Bonds;

WHEREAS, the Issuer has determined that the aforementioned refunding of the Series 2006 B Bonds should be financed with the proceeds from the issuance of the City's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E, in the original aggregate principal amount of not more than $1,800,000 (the "Series 2014 E Bonds"), such Series 2014 E Bonds to be secured by and payable from the Gross Revenues (as hereinafter defined) of the System; and

WHEREAS, the Issuer has determined and hereby determines that it is in the best interests of the residents of the City that its Series 2014 E Bonds be sold to the Original Purchaser (as hereinafter defined) thereof pursuant to the terms and provisions of a bond purchase agreement (the "Bond Purchase Agreement") between the Issuer and the Original Purchaser.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF CHARLES TOWN HEREBY ORDAINS:

ARTICLE I

DEFINITIONS; STATUTORY AUTHORITY; FINDINGS

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

"Act" means Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended and in effect on the date of delivery of the Series 2014 Refunding Bonds.

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

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

"Board" means the City of Charles Town Utility Board created by ordinance of the Issuer, or any successor thereto.

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

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

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

"Bond Insurer" means any entity which shall insure all or any portion of the payment of principal of and interest on any of the Prior Bonds.

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

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

"Bonds" means, collectively, the Series 2014 Refunding Bonds, the Prior Bonds and any additional parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

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

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 2014 Refunding Bonds, substantially in the form set forth in EXHIBIT A - FORM OF SERIES 2014 REFUNDING BONDS, attached hereto.

"City" or "Issuer" means the City of Charles Town, a municipal corporation and political subdivision of the State of West Virginia, in Jefferson County thereof, and, unless the context clearly indicates otherwise, includes the Governing Body and the Board of the Issuer and any other commission, board or department established by the Issuer to operate and maintain the System.

"City Manager" means the City Manager of the Issuer.

"City Clerk" or "Clerk" means the City Clerk of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2014 Refunding Bonds for the proceeds representing the original purchase price thereof.

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

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

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

"Costs" or "Costs of the Project" or similar terms means all those costs now or hereafter permitted by the Act to be financed with bonds issued pursuant hereto, including, without limitation, those costs described in Section 1.03E.

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

"Debt Service," with reference to a specified period, means the amount of principal, including any sinking fund payments, and interest payable with respect to the Bonds during such period.

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

"DTC" means The Depository Trust Company, New York, New York or its successor.

"DTC-eligible" means, with respect to the Series 2014 Refunding Bonds, meeting the qualifications prescribed by DTC.

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

"First Lien Bonds" means, collectively, the Series 1987 B Bonds, Series 1988 B-1 Bonds, Series 1988 B-2 Bonds, Series 1989 B Bonds, Series 1998 Bonds, Series 2000 A Bonds, Series 2002 A Bonds, Series 2002 B Bonds, Series 2002 C Bonds, Series 2009 A Bonds, Series 2010 A Bonds, Series 2010 B Bonds, Series 2010 C Bonds, Series 2010 D Bonds, Series 2011 A Bonds, Series 2011 B Bonds, Series 2012 A Bonds, Series 2013 A Bonds, Series 2013 B Bonds and if issued, the Series 2014 A Bonds.

"FDIC" means the Federal Deposit Insurance Corporation or 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 City Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the City Council, as it may now or hereafter be constituted.

"Government Obligations" means certificates or interest-bearing notes or obligations of the United States, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.

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

"Independent Accountants" means the West Virginia State Tax Department or any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the System or for any purpose except keeping the accounts of said System in the normal operations of its business and affairs.

"Investment Property" means any security (as said term is defined in Section 165(g)(2)(A) or (B) of the Code), obligation, annuity contract, investment-type property or residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan, excluding, however, obligations the interest on which is excluded from gross income, under Section 103 of the Code, for federal income tax purposes other than specified private activity bonds as defined in Section 57(a)(5)(C) of the Code.

"Maximum Annual Debt Service" means, at the time of computation, the greatest amount of Debt Service required to be paid on the Bonds for the then current or any succeeding Fiscal Year, assuming that the principal of any Term Bonds is deemed due on the earlier of their

stated maturity date or the date on which they are required to be redeemed pursuant to mandatory sinking fund redemption.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 2014 Refunding Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds deposited in the respective Series 2014 Refunding Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from investment of proceeds of the Series 2014 Refunding Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property which is acquired with the gross proceeds of the Series 2014 Refunding Bonds and is not acquired in order to carry out the governmental purpose of the Series 2014 Refunding Bonds.

"Operating Expenses," unless qualified, means the current expenses, paid or accrued, of repair, operation and maintenance 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 of any project relating to the acquisition or construction of additions, betterments or improvements for the System), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, 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.

"Ordinance" regardless of whether preceded by the article "the" or "this," means this Ordinance, as it may hereafter from time to time be amended or supplemented, by ordinance or by resolution.

"Original Purchaser" means the investment banking firm or firms, bank or banks or such other entity or entities as shall purchase the Series 2014 Refunding Bonds directly from the Issuer, as determined by a resolution supplemental hereto.

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

principal of and/or interest on any Bond, such Bond shall be deemed to be Outstanding until such time as such Bond Insurer has been reimbursed in full.

"Paying Agent" means the Bond Commission and any other paying agent for the Bonds which may be appointed by a resolution supplemental hereto, all in accordance with Section 8.12 hereof.

"Prior Bonds" means, collectively, the Series 1987 B Bonds, Series 1988 B-1 Bonds, Series 1988 B-2 Bonds, Series 1989 B Bonds, Series 1998 Bonds, Series 2000 A Bonds, Series 2002 A Bonds, Series 2002 B Bonds, Series 2002 C Bonds, Series 2009 A Bonds, Series 2010 A Bonds, Series 2010 B Bonds, Series 2010 C Bonds, Series 2010 D Bonds, Series 2011 A Bonds, Series 2011 B Bonds, Series 2012 A Bonds, Series 2013 A Bonds, Series 2013 B Bonds and if issued, the Series 2014 A Bonds and Series 2014 B Bonds.

"Prior Ordinances" means, collectively, the ordinances of the Issuer, authorizing the issuance of the Prior Bonds.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public.

"Purchase Price," for the purpose of computation of the Yield of the Series 2014 Refunding Bonds, has the same meaning as the term "issue price" in Sections 1273(b) and 1274 of the Code, and, in general, means the initial offering price of the Series 2014 Refunding Bonds to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of the Bonds of each maturity is sold or, if the Series 2014 Refunding Bonds are privately placed, the price paid by the first buyer of the Series 2014 Refunding Bonds or the acquisition cost of the first buyer. "Purchase Price," for purposes of computing Yield of Nonpurpose Investments, means the fair market value of the Nonpurpose Investments on the date of use of Gross Proceeds of the Series 2014 Refunding Bonds for acquisition thereof, or if later, on the date that Investment Property constituting a Nonpurpose Investment becomes a Nonpurpose Investment of the Series 2014 Refunding Bonds.

"Qualified Investments" means and includes the investments set forth in the Supplemental Resolution and designated as such.

"Rebate Fund" means the Rebate Fund described in Section 4.01 hereof.

"Record Date" means the day of the month which shall be so stated in the Series 2014 Refunding Bonds, regardless of whether such day is a Saturday, Sunday or legal holiday.

"Redemption Date" means the date fixed for redemption of Bonds subject to redemption in any notice of redemption published or mailed in accordance herewith.

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

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

"Registrar" means the bank to be designated in the Supplemental Resolution as the registrar for the Series 2014 Refunding Bonds, and any successor thereto appointed in accordance with Section 8.08 hereof.

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

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created by the Prior Ordinances and continued by Section 4.02 hereof.

"Reserve Accounts" means, collectively, the respective reserve accounts created for the Series 2014 Refunding Bonds and the Prior Bonds.

"Reserve Account Requirement" means, collectively, the respective amount required to be on deposit in the respective Reserve Accounts for the Series 2014 Refunding Bonds and the Prior Bonds.

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

"Series 1987 B Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 1987 B, dated November 18, 1987, issued in the original aggregate principal amount of $413,629.

"Series 1988 B-1 Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 1988 B-1, dated May 4, 1988, issued in the original aggregate principal amount of $295,916.

"Series 1988 B-2 Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 1988 B-2, dated May 20, 1988, issued in the original aggregate principal amount of $558,000.

"Series 1989 B Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 1989 B, dated April 13, 1989, issued in the original aggregate principal amount of $117,480.

"Series 1998 Bonds" means the Issuer's Combined Waterworks and Sewerage System Design Revenue Bonds, Series 1998 (West Virginia SRF Program), dated September 29, 1998, issued in the original aggregate principal amount of $437,601.

"Series 2000 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated June 22, 2000, issued in the original aggregate principal amount of $3,163,781.

"Series 2002 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 A (West Virginia Water Development Authority), dated August 22, 2002, issued in the original aggregate principal amount of $1,100,000.

"Series 2002 B Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 B (West Virginia Infrastructure Fund), dated August 22, 2002, issued in the original aggregate principal amount of $3,600,000.

"Series 2002 C Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 C (Insured), dated December 20, 2002, issued in the original aggregate principal amount of $4,135,000.

"Series 2003 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2003 A (AMT - Uninsured), dated January 15, 2003, issued in the original aggregate principal amount of $1,000,000.

"Series 2006 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A (Taxable), dated January 19, 2006, issued in the original aggregate principal amount of $1,830,000.

"Series 2006 B Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 B (Tax-Exempt), dated July 27, 2006, issued in the original aggregate principal amount of $2,000,000.

"Series 2009 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2009 A (Tax-Exempt), dated December 1, 2009, issued in the original aggregate principal amount of $7,120,000.

"Series 2010 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 A (West Virginia DWTRF Program), dated January 13, 2010, issued in the original aggregate principal amount of $912,458.

"Series 2010 B Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia DWTRF Program/ARRA), dated January 13, 2010, issued in the original aggregate principal amount of $100,000.

"Series 2010 C Bonds" means the Issuer's Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2010 C (West Virginia SRF Program), dated December 2, 2010, issued in the original aggregate principal amount of $1,250,000.

"Series 2010 D Bonds" means the Issuer's Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2010 D (West Virginia SRF Program), dated December 2, 2010, issued in the original aggregate principal amount of $500,000.

"Series 2011 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 A (West Virginia SRF Program), dated July 22, 2011, issued in the original aggregate principal amount of $13,147,192.

"Series 2011 B Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 B (West Virginia SRF Program), dated July 22, 2011, issued in the original aggregate principal amount of $2,000,000.

"Series 2012 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated December 18, 2012, issued in the original aggregate principal amount of $1,500,000.

"Series 2013 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia SRF Program), dated June 27, 2013, issued in the original aggregate principal amount of $591,977.

"Series 2013 B Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 B (Tax-Exempt), dated October 1, 2013, issued in the original aggregate principal amount of $2,970,000.

"Series 2014 A Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 2014 A (West Virginia SRF Program).

"Series 2014 B Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 2014 B (West Virginia Infrastructure Fund).

"Series 2014 A Bonds Ordinance" means the ordinance of the Issuer authorizing the Series 2014 A Bonds and Series 2014 B Bonds.

"Series 2014 Bonds Costs of Issuance Fund" means the Costs of Issuance Fund created by Section 4.01 hereof.

"Series 2014 C Bonds" means the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C, of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 2014 C Bonds Redemption Account" means the Series 2014 C Bonds Redemption Account established in the Series 2014 C Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2014 C Bonds Reserve Account" means the Series 2014 C Bonds Reserve Account established in the Series 2014 C Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2014 C Bonds Reserve Account Requirement" means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2014 C Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2014 C Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2014 C Bonds.

"Series 2014 C Bonds Sinking Fund" means the Series 2014 C Bonds Sinking Fund established by Section 4.02 hereof.

"Series 2014 D Bonds" means the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D, of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 2014 D Bonds Redemption Account" means the Series 2014 D Bonds Redemption Account established in the Series 2014 D Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2014 D Bonds Reserve Account" means the Series 2014 D Bonds Reserve Account established in the Series 2014 D Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2014 D Bonds Reserve Account Requirement" means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2014 D Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2014 D Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2014 D Bonds.

"Series 2014 D Bonds Sinking Fund" means the Series 2014 D Bonds Sinking Fund established by Section 4.02 hereof.

"Series 2014 E Bonds" means the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E, of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 2014 E Bonds Redemption Account" means the Series 2014 E Bonds Redemption Account established in the Series 2014 E Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2014 E Bonds Reserve Account" means the Series 2014 E Bonds Reserve Account established in the Series 2014 E Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2014 E Bonds Reserve Account Requirement" means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2014 E Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2014 E Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2014 E Bonds.

"Series 2014 E Bonds Sinking Fund" means the Series 2014 E Bonds Sinking Fund established by Section 4.02 hereof.

"Series 2014 Refunding Bonds" means collectively, the Series 2014 C Bonds, Series 2014 D Bonds and Series 2014 E Bonds.

"Sinking Funds" means, collectively, the respective sinking funds created for the Series 2014 Refunding Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any ordinance or resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution to be adopted by the Issuer following enactment of this Ordinance, setting forth the final amounts, maturities, interest rates and other terms of the Series 2014 Refunding Bonds and authorizing the sale of the Series 2014 Refunding Bonds to the Original Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Gross Revenues not required by the Ordinance to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, including, without limitation, the funds and accounts established for the Prior Bonds or the Series 2014 Refunding Bonds.

"System" means the complete existing combined municipal waterworks and sewerage system of the Issuer, consisting of a water treatment and distribution system, including a water filtration and treatment plant, reservoirs, water tanks, distribution lines and booster stations, and a sewage treatment and collection system, including a sewage treatment plant, collection and transportation lines and lift stations, now owned by the Issuer or any integral part thereof, and all other facilities necessary, appropriate, useful, convenient or incidental in connection with or to the waterworks and sewage systems, and shall include any additions, betterments and improvements thereto hereafter acquired or constructed for said waterworks or sewage systems from any sources whatsoever, both within and without the Issuer.

"Term Bonds" means Series 2014 Refunding Bonds subject to mandatory sinking fund redemption, as described by Section 3.06 hereof.

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

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

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

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

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

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

A. The Issuer is a municipal corporation and political subdivision of the State of West Virginia, in Jefferson County of said State.

B. The Issuer now owns and operates, through the Board, a municipal combined water and sewerage System, the construction, extension and improvement of which it has financed or refinanced pursuant to the issuance of the Prior Bonds.

C. The Issuer has determined that present value debt service savings will result from the current refunding of its Outstanding Series 2003 A Bonds, and that it is in the best interest of the residents of the Issuer and other users of the System to currently refund such Series 2003 A Bonds.

D. It is deemed necessary for the Issuer to issue its Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT), in the original aggregate principal amount of not more than $1,000,000, in order to repay in full the remaining principal balance of and all accrued interest on the Issuer's Series 2003 A Bonds. The proceeds of the Series 2014 C Bonds may also be applied to funding the Series 2014 C Bonds Reserve Account and the payment of underwriter's discount; legal expenses; expenses for estimates of costs and revenues; administrative expense; commitment fees; premiums for municipal bond insurance, reserve account insurance or reserve account surety bonds; letter of credit fees; discount; initial fees for the services of registrar's, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2014 C Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2014 C Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall also be permitted.

E. It is in the best interest of the Issuer that the Series 2014 C Bonds be sold to the Original Purchaser pursuant to the terms and provisions of a Bond Purchase Agreement to be entered into by and between the Issuer and the Original Purchaser, as shall be approved by the Supplemental Resolution of the Issuer.

F. The Issuer has determined that present value debt service savings will result from the current refunding of its Outstanding Series 2006 A Bonds, and that it is in the best interest of the residents of the Issuer and other users of the System to currently refund such Series 2006 A Bonds.

G. It is deemed necessary for the Issuer to issue its Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable), in the original aggregate principal amount of not more than $1,800,000, in order to repay in full the remaining principal balance of and all accrued interest on the Issuer's Series 2006 A Bonds. The proceeds of the Series 2014 D Bonds may also be applied to funding the Series 2014 D Bonds Reserve Account and the payment of underwriter's discount; legal expenses; expenses for estimates of costs and revenues; administrative expense; commitment fees; premiums for municipal bond insurance, reserve account insurance or reserve account surety bonds; letter of credit fees; discount; initial fees for the services of registrar's, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2014 D Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2014 D Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall also be permitted.

H. It is in the best interest of the Issuer that the Series 2014 D Bonds be sold to the Original Purchaser pursuant to the terms and provisions of a Bond Purchase Agreement to be entered into by and between the Issuer and the Original Purchaser, as shall be approved by the Supplemental Resolution of the Issuer.

I. The Issuer has determined that present value debt service savings will result from the current refunding of its Outstanding Series 2006 B Bonds, and that it is in the best interest of the residents of the Issuer and other users of the System to currently refund such Series 2006 B Bonds.

J. It is deemed necessary for the Issuer to issue its Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified), in the original aggregate principal amount of not more than $1,800,000, in order to repay in full the remaining principal balance of and all accrued interest on the Issuer's Series 2006 B Bonds. The proceeds of the Series 2014 E Bonds may also be applied to funding the Series 2014 E Bonds Reserve Account and the payment of underwriter's discount; legal expenses; expenses for estimates of costs and revenues; administrative expense; commitment fees; premiums for municipal bond insurance, reserve account insurance or reserve account surety bonds; letter of credit fees; discount; initial fees for the services of registrar's, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2014 E Bonds and such other

expenses as may be necessary or incidental to the financing herein authorized; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2014 E Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall also be permitted.

K. It is in the best interest of the Issuer that the Series 2014 E Bonds be sold to the Original Purchaser pursuant to the terms and provisions of a Bond Purchase Agreement to be entered into by and between the Issuer and the Original Purchaser, as shall be approved by the Supplemental Resolution of the Issuer.

L. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2014 Refunding Bonds as to liens, pledge, source of and security for payment, as follows:

1. Combined Waterworks and Sewerage System Revenue Bonds, Series 1987 B, dated November 18, 1987, issued in the original aggregate principal amount of $413,629 (the "Series 1987 B Bonds");

2. Combined Waterworks and Sewerage System Revenue Bonds, Series 1988 B-1, dated May 4, 1988, issued in the original aggregate principal amount of $295,916 (the "Series 1988 B-1 Bonds");

3. Combined Waterworks and Sewerage System Revenue Bonds, Series 1988 B-2, dated May 20, 1988, issued in the original aggregate principal amount of $558,000 (the "Series 1988 B-2 Bonds");

4. Combined Waterworks and Sewerage System Revenue Bonds, Series 1989 B, dated April 13, 1989, issued in the original aggregate principal amount of $117,480 (the "Series 1989 B Bonds");

5. Combined Waterworks and Sewerage System Design Revenue Bonds, Series 1998 (West Virginia SRF Program), dated September 29, 1998, issued in the original aggregate principal amount of $437,601 (the "Series 1998 Bonds");

6. Combined Waterworks and Sewerage System Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated June 22, 2000, issued in the original aggregate principal amount of $3,163,781 (the "Series 2000 A Bonds");

7. Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 A (West Virginia Water Development Authority), dated August 22, 2002, issued in the original aggregate principal amount of $1,100,000 (the "Series 2002 A Bonds");

8. Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 B (West Virginia Infrastructure Fund), dated August 22, 2002, issued in the original aggregate principal amount of $3,600,000 (the "Series 2002 B Bonds");

9. Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 C (Insured), dated December 20, 2002, issued in the original aggregate principal amount of $4,135,000 (the "Series 2002 C Bonds");

10. Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2009 A (Tax-Exempt), dated December 1, 2009, issued in the original aggregate principal amount of $7,120,000 (the "Series 2009 A Bonds");

11. Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 A (West Virginia DWTRF Program), dated January 13, 2010, issued in the original aggregate principal amount of $912,458 (the "Series 2010 A Bonds");

12. Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia DWTRF Program/ARRA), dated January 13, 2010, issued in the original aggregate principal amount of $100,000 (the "Series 2010 B Bonds");

13. Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2010 C (West Virginia SRF Program), dated December 2, 2010, issued in the original aggregate principal amount of $1,250,000 (the "Series 2010 C Bonds");

14. Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2010 D (West Virginia SRF Program), dated December 2, 2010, issued in the original aggregate principal amount of $500,000 (the "Series 2010 D Bonds");

15. Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 A (West Virginia SRF Program), dated July 22, 2011, issued in the original aggregate principal amount of $13,147,192 (the "Series 2011 A Bonds");

16. Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 B (West Virginia SRF Program), dated July 22, 2011, issued in the original aggregate principal amount of $2,000,000 (the "Series 2011 B Bonds");

17. Combined Waterworks and Sewerage System Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated December 18, 2012, issued in the original aggregate principal amount of $1,500,000 (the "Series 2012 A Bonds");

18. Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia SRF Program), dated June 27, 2013, issued in the original aggregate principal amount of $591,977 (the "Series 2013 A Bonds");

19. Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 B (Tax-Exempt), dated October 1, 2013, issued in the original aggregate principal amount of $2,970,000 (the "Series 2013 B Bonds");

20. Combined Waterworks and Sewerage System Revenue Bonds, Series 2014 A (West Virginia SRF Program), proposed to be issued pursuant to the Series 2014 A Bonds Ordinance (the "Series 2014 A Bonds").

The Series 1987 B Bonds, Series 1988 B-1 Bonds, Series 1988 B-2 Bonds, Series 1989 B Bonds, Series 1998 Bonds, Series 2000 A Bonds, Series 2002 A Bonds, Series 2002 B Bonds, Series 2002 C Bonds, Series 2009 A Bonds, Series 2010 A Bonds, Series 2010 B Bonds, Series 2010 C Bonds, Series 2010 D Bonds, Series 2011 A Bonds, Series 2011 B Bonds, Series 2012 A Bonds, Series 2013 A Bonds, Series 2013 B Bonds and, if issued, the Series 2014 A Bonds are hereinafter collectively called the "Prior Bonds." The ordinances which authorized the issuance of the Prior Bonds are herein collectively referred to as the "Prior Ordinances."

The Series 2014 Refunding Bonds shall be issued on a parity with one another and with the First Lien Bonds, all of which shall have a first lien position with respect to pledge and source of and security for payment and in all other respects and senior and prior to the Series 2014 B Bonds. The Issuer has met the coverage requirements for issuance of parity bonds of the First Lien Bonds and the Prior Ordinances and has substantially complied with all other parity requirements, except to the extent that noncompliance with any such other parity requirements is not of a material nature.

Prior to the issuance of the Series 2014 Refunding Bonds, the Issuer will obtain (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the First Lien Bonds are met; (ii) the written consent, if required, of the Registered Owners of the First Lien Bonds to the issuance of the Series 2014 Refunding Bonds on a parity with such First Lien Bonds if required by the Prior Ordinances; and (iii) the written consent of the Owners of the Series 2014 B Bonds to the issuance of the Series 2014 Refunding Bonds senior and prior to the Series 2014 B Bonds.

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

G. The Issuer derives revenues from the System which are pledged for payment of the Prior Bonds. Except for such pledge thereof to secure and pay the Prior Bonds, said revenues are not pledged or encumbered in any manner. The Issuer intends to issue the Series 2014 Refunding Bonds and to pledge for payment thereof, the Gross Revenues of the System. Upon issuance of the Series 2014 Refunding Bonds, the Series 2014 Refunding Bonds will be secured by a first lien on the Gross Revenues of the System, on a parity with the First Lien Bonds and senior and prior to the Series 2014 B Bonds.

H. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient, to provide for repair, maintenance and operation of the System, the payment of interest on the Series 2014 Refunding Bonds and the Prior Bonds, and to create sinking funds, as hereinafter provided, to pay the principal on the Series 2014 Refunding Bonds and the Prior Bonds as and when it becomes due and reasonable reserves therefore, to provide an adequate renewal and replacement fund, as hereinafter provided, and to make all other payments provided for in this Ordinance.

I. It is in the best interests of the Issuer, and the residents thereof, that the Issuer issue the Series 2014 Refunding Bonds, and secure the Series 2014 Refunding Bonds by a pledge and assignment of the Gross Revenues derived from the operation of the System, the monies in the respective Series 2014 Refunding Bonds Reserve Accounts, unexpended proceeds of the Series 2014 Refunding Bonds and as further set forth herein.

J. The Series 2014 Refunding Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the forms set forth in EXHIBIT A – FORM OF SERIES 2014 REFUNDING BONDS, attached hereto and incorporated herein by reference, with necessary and appropriate variations, omissions and insertions as permitted or required by this Ordinance or a Supplemental Resolution or as deemed necessary by the Registrar or the Issuer.

K. All things necessary to make the Series 2014 Refunding Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the Series 2014 Refunding Bonds will be timely done and duly performed.

L. The enactment of this Ordinance, and the execution and issuance of the Series 2014 Refunding Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

M. The Issuer has complied with all requirements of West Virginia law relating to the operation of the System, the issuance of the Series 2014 Refunding Bonds, the refunding of the Series 2003 A Bonds, the refunding of the Series 2006 A Bonds and the Refunding of the Series 2006 B Bonds, or will have so complied prior to issuance of any thereof.

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the Series 2014 Refunding Bonds by those who shall own or hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Registered Owners of any and all of such Series 2014 Refunding Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Series 2014 Refunding Bond and any other Series 2014 Refunding Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF REFUNDINGS

Section 2.01. Authorization of Refundings. A. All Series 2003 A Bonds Outstanding as of the date of issuance of the Series 2014 C Bonds and all unpaid interest accrued thereon, if any, are hereby ordered to be refunded and paid in full and the pledge of Gross Revenues in favor of the Registered Owners of the Series 2003 A Bonds imposed by the Prior Ordinance authorizing the issuance of the Series 2003 A Bonds, the monies in the funds and accounts created by the Prior Ordinances pledged to payment of the Series 2003 A Bonds, and any other funds pledged by the Prior Ordinances to payment of the Series 2003 A Bonds are hereby ordered terminated, discharged and released upon such payment to the Registered Owners of the Series 2003 A Bonds. Contemporaneously with the payment in full of the Series 2003 A Bonds, the amounts on deposit in the sinking fund, and all other funds and accounts created and maintained on behalf of the Series 2003 A Bonds, shall be released from the lien created by the Prior Ordinance authorizing the issuance of the Series 2003 A Bonds.

B. All Series 2006 A Bonds Outstanding as of the date of issuance of the Series 2014 D Bonds and all unpaid interest accrued thereon, if any, are hereby ordered to be refunded and paid in full and the pledge of Gross Revenues in favor of the Registered Owners of the Series 2006 A Bonds imposed by the Prior Ordinance authorizing the issuance of the Series 2006 A Bonds, the monies in the funds and accounts created by the Prior Ordinances pledged to payment of the Series 2006 A Bonds, and any other funds pledged by the Prior Ordinances to payment of the Series 2006 A Bonds are hereby ordered terminated, discharged and released upon such payment to the Registered Owners of the Series 2006 A Bonds. Contemporaneously with the payment in full of the Series 2006 A Bonds, the amounts on deposit in the sinking fund, and all other funds and accounts created and maintained on behalf of the Series 2006 A Bonds, shall be released from the lien created by the Prior Ordinance authorizing the issuance of the Series 2006 A Bonds.

C. All Series 2006 B Bonds Outstanding as of the date of issuance of the Series 2014 E Bonds and all unpaid interest accrued thereon, if any, are hereby ordered to be refunded and paid in full and the pledge of Gross Revenues in favor of the Registered Owners of the Series 2006 B Bonds imposed by the Prior Ordinance authorizing the issuance of the Series 2006 B Bonds, the monies in the funds and accounts created by the Prior Ordinances pledged to payment of the Series 2006 B Bonds, and any other funds pledged by the Prior Ordinances to payment of the Series 2006 B Bonds are hereby ordered terminated, discharged and released upon such payment to the Registered Owners of the Series 2006 B Bonds. Contemporaneously with the payment in full of the Series 2006 A Bonds, the amounts on deposit in the sinking fund, and all other funds and accounts created and maintained on behalf of the Series 2006 B Bonds, shall be released from the lien created by the Prior Ordinance authorizing the issuance of the Series 2006 B Bonds.

ARTICLE III

THE BONDS

Section 3.01. Form and Payment of Bonds. No Series 2014 Refunding Bond shall be issued pursuant to this Ordinance except as provided in this Article III. Any Series 2014 Refunding Bonds issued pursuant to this Ordinance may be issued only as fully registered Series 2014 Refunding Bonds without coupons, in the denomination of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may be set forth in a Supplemental Resolution). All Series 2014 Refunding Bonds shall be dated as of the date provided in a Supplemental Resolution applicable to such series. All Series 2014 Refunding Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2014 Refunding Bonds has been paid, from the date thereof; provided, however, that, if, as shown by the records of the Registrar, interest on such Series 2014 Refunding Bonds shall be in default, Series 2014 Refunding Bonds issued in exchange for Series 2014 Refunding Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2014 Refunding Bonds surrendered.

The principal of and the premium, if any, on the Series 2014 Refunding Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Series 2014 Refunding Bonds shall be paid by check or draft made payable and mailed to the Registered Owner thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of $1,000,000 or more of the Series 2014 Refunding Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

In the event any Series 2014 Refunding Bond is redeemed in part, such bond shall be surrendered to and canceled by the Registrar, and the Issuer shall execute, and the Registrar shall authenticate and deliver to the Registered Owner thereof, another Series 2014 Refunding Bond in the principal amount of said Series 2014 Refunding Bond then Outstanding.

Section 3.02. Execution of Bonds. The Series 2014 Refunding Bonds shall be executed in the name of the Issuer by the Mayor and City Manager, by their manual or facsimile signatures, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Clerk by his or her manual or facsimile signature; provided, that, all such signatures and the seal may be by facsimile. In case any one or more of the officers who shall have signed or sealed any of the Series 2014 Refunding Bonds shall cease to be such officer of the Issuer before the 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 2014 Refunding Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of

the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Series 2014 Refunding Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Ordinance unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in EXHIBIT A - FORM OF SERIES 2014 REFUNDING BONDS attached hereto and incorporated herein by reference with respect to such respective Series 2014 Refunding Bond, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Series 2014 Refunding Bond has been authenticated, registered and delivered under this Ordinance. The Certificate of Authentication and Registration on any Series 2014 Refunding Bond shall be deemed to have been executed by the Registrar if signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Series 2014 Refunding Bonds issued hereunder.

Section 3.04. Negotiability and Registration. Subject to the requirements for transfer set forth below, the Series 2014 Refunding Bonds shall be, and have all of the qualities and incidents of, negotiable instruments under the Uniform Commercial Code of the State, and each successive Registered Owner, in accepting any of said Series 2014 Refunding Bonds, shall be conclusively deemed to have agreed that such Series 2014 Refunding Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder shall further be conclusively deemed to have agreed that said Series 2014 Refunding Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Series 2014 Refunding Bonds remain Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Series 2014 Refunding Bonds. The Series 2014 Refunding Bonds shall be transferable only by transfer of registration upon the Bond Register by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or such duly authorized attorney or legal representative. Upon transfer of a Series 2014 Refunding Bond, there shall be issued at the option of the Holder or the transferee another Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond.

Upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar and duly executed by the registered owner or his attorney or legal representative duly authorized in writing, Series 2014 Refunding Bonds may at the option of the Holder thereof be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate, in any authorized denominations.

In all cases in which the privilege of transferring or exchanging a Series 2014 Refunding Bond is exercised, Series 2014 Refunding Bonds shall be delivered in accordance

with the provisions of this Ordinance. All Series 2014 Refunding Bonds surrendered in any such transfer or exchange shall forthwith be canceled by the Registrar. Transfers of Series 2014 Refunding Bonds, the initial exchange of Series 2014 Refunding Bonds and exchanges of such Bonds in the event of partial redemption of fully registered Bonds shall be made by the Registrar without charge to the Holder or the transferee thereof, except as provided below. For other exchanges of Series 2014 Refunding Bonds, the Registrar may impose a service charge. For every such transfer or exchange of such Bonds, the Registrar may make a charge sufficient to reimburse its office for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such tax or governmental charge, and such service charge for exchange other than the initial exchange or in the event of partial redemption, shall be paid by the person requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Series 2014 Refunding Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2014 Refunding Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may execute, in its discretion, and the Registrar shall authenticate, register and deliver any new Bond of like series, maturity and principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and upon surrender and cancellation of, such mutilated Bond, or in lieu of and substitution for the Bond so destroyed, stolen or lost, and upon the Registered Owner furnishing the Issuer and the Registrar proof of his ownership thereof and that said Bond has been destroyed, stolen or lost and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer or the Registrar may incur. The name of the Registered Owner listed in the Bond Register shall constitute proof of ownership. All Bonds so surrendered shall be submitted to and canceled by the Registrar, and evidence of such cancellation shall be given to the Issuer. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond the Issuer, by and through the Registrar, may pay the same, upon being indemnified as aforesaid, and, if such Bond be lost, stolen or destroyed, without surrender thereof.

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

Section 3.06. Term Bonds. In the event Term Bonds are issued as part of the Series 2014 Refunding Bonds issued pursuant to this Ordinance, the following provisions shall apply:

A. The amounts to be deposited, apportioned and set apart by the Issuer from the respective Revenue Funds and into the Series 2014 Refunding Bonds Redemption Account in accordance with Subsection 4.03(A)(2) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 13 months prior to the first mandatory redemption date of said Term Bonds, a sum equal to 1/12th of the amount required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next

ensuing mandatory redemption date, which amounts and dates, if any, with respect to a series of Bonds shall be set forth in the Supplemental Resolution relating thereto.

B. At its option, to be exercised on or before the 60th day next preceding any such mandatory redemption date, the Issuer may (a) deliver to the Registrar for cancellation such Term Bonds in any aggregate principal amount desired or (b) receive a credit in respect of its mandatory redemption obligation for any such Term Bonds which prior to said date have been redeemed (otherwise than pursuant to this section) and canceled by the Registrar and not theretofore applied as a credit against any such mandatory redemption obligation. Each Term Bond so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory redemption date, and Term Bonds delivered in excess of such mandatory redemption obligation shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

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

D. After said 60th day but prior to the date on which the Registrar selects the Term Bonds to be redeemed, the Bond Commission may use the moneys in the Series 2014 Refunding Bonds Redemption Account to purchase Term Bonds at a price less than the par value thereof and accrued interest thereon. The Bond Commission shall advise the Issuer and the Registrar of any Term Bonds so purchased, and they shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory redemption date, and any excess shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

E. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the redemption date (interest to be paid from the Sinking Fund), as will exhaust as nearly as practicable such Series 2014 Refunding Bonds Redemption Account payment designated to be made in accordance with paragraph (A) of this section. Such redemption shall be by random selection made on the 45th day preceding the mandatory redemption date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of $5,000.

Section 3.07. Notice of Redemption. Unless waived by any Registered Owner of the Bonds to be redeemed, official notice of any redemption shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the

applicable Bond Insurer, if any, the Original Purchaser, and the Registered Owner of the Series 2014 Refunding Bond or Bonds, as applicable, to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

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

(1) The Redemption Date,

(2) The Redemption Price,

(3) If less than all outstanding Series 2014 Refunding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(4) That on the Redemption Date the Redemption Price and interest accrued will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,

(5) The place where such Bonds are to be surrendered for payment of the Redemption Price, which place of payment shall be the principal office of the Registrar, and

(6) Such other information, if any, as shall be required for DTC-eligible Bonds.

Prior to any redemption date, the Issuer shall deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Series 2014 Refunding Bonds or portions of such Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Series 2014 Refunding Bonds or portions of such Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Series 2014 Refunding Bonds or portions of such Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of Series 2014Refunding Bonds, and failure to mail such notice shall not affect the validity of proceedings for the redemption of any portion of Bonds for which there was no such failure.

Section 3.08. Persons Treated as Owners. The Issuer, the Registrar and any agent of the Issuer or the Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of the principal of, and interest on, such Bond and (except as provided in Section 6.18) for all other purposes, whether or not such Bond is overdue.

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

Section 3.10. Authorization of Bonds. A. For the purposes of paying in full the entire outstanding principal of and all accrued interest on the Series 2003 A Bonds, funding the Series 2014 C Bonds Reserve Account and paying costs of issuance of the Series 2014 C Bonds and related costs, there shall be issued the Series 2014 C Bonds of the Issuer, in an aggregate principal amount of not more than $1,000,000. The Series 2014 C Bonds shall be designated the "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT)" and shall be issued in fully registered form, in denominations of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may be set forth in the Supplemental Resolution), not exceeding the aggregate principal amount of Series 2014 C Bonds maturing in the year of maturity for which the denomination is to be specified. The Series 2014 C Bonds shall be numbered from CR-1 consecutively upward. The Series 2014 C Bonds shall be dated; shall be in such aggregate principal amount; shall bear interest at such rate or rates, not exceeding the then legally permissible rate, payable semiannually on such dates; shall mature on such dates and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

B. For the purposes of paying in full the entire outstanding principal of and all accrued interest on the Series 2006 A Bonds, funding the Series 2014 D Bonds Reserve Account and paying costs of issuance of the Series 2014 D Bonds and related costs, there shall be issued the Series 2014 D Bonds of the Issuer, in an aggregate principal amount of not more than $1,800,000. The Series 2014 D Bonds shall be designated the "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable)" and shall be issued in fully registered form, in denominations of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may be set forth in the Supplemental Resolution), not exceeding the aggregate principal amount of Series 2014 D Bonds maturing in the year of maturity for which the denomination is to be

specified. The Series 2014 D Bonds shall be numbered from DR-1 consecutively upward. The Series 2014 D Bonds shall be dated; shall be in such aggregate principal amount; shall bear interest at such rate or rates, not exceeding the then legally permissible rate, payable semiannually on such dates; shall mature on such dates and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

C. For the purposes of paying in full the entire outstanding principal of and all accrued interest on the Series 2006 B Bonds, funding the Series 2014 E Bonds Reserve Account and paying costs of issuance of the Series 2014 E Bonds and related costs, there shall be issued the Series 2014 E Bonds of the Issuer, in an aggregate principal amount of not more than $1,800,000. The Series 2014 E Bonds shall be designated the "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" and shall be issued in fully registered form, in denominations of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may be set forth in the Supplemental Resolution), not exceeding the aggregate principal amount of Series 2014 E Bonds maturing in the year of maturity for which the denomination is to be specified. The Series 2014 E Bonds shall be numbered from ER-1 consecutively upward. The Series 2014 E Bonds shall be dated; shall be in such aggregate principal amount; shall bear interest at such rate or rates, not exceeding the then legally permissible rate, payable semiannually on such dates; shall mature on such dates and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Book Entry System for Series 2014 Refunding Bonds. The Series 2014 Refunding Bonds (if purchased by the Original Purchaser) shall initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Series 2014 Refunding Bonds of each maturity, and shall be registered in the name of Cede & Co., as nominee of DTC. Notwithstanding anything herein to the contrary contained, so long as the Series 2014 Refunding Bonds are so issued and registered, DTC (or its nominee) shall be treated as the sole Registered Owner for all purposes hereunder. Each Bond shall bear a legend substantially to the following effect "Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this certificate is presented by an authorized representative of DTC, to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein."

With respect to Series 2014 Refunding Bonds registered in the records of the Registrar in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent shall have no responsibility or obligation to any other participant in DTC or to any Person on behalf of whom such a participant in DTC holds a beneficial interest in the Series 2014 Refunding Bonds.

Without limiting the immediately preceding sentence, the Issuer and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any other participant in DTC with respect to any beneficial ownership interest in any Bond, (ii) the delivery to any other participant in DTC or any other Person, other than a Registered Owner, as shown in the records of the Registrar, of any notice with respect to any Series 2014 Refunding Bonds, including without limitation any notice of redemption, tender, purchase or any event which would or could give rise to a tender or purchase right or option with respect to any Bond, (iii) the payment to any other participant in DTC or any other Person, other than a Registered Owner, as shown in the records of the Registrar, of any amount with respect to principal of, premium, if any, or interest on, any Bond, or (iv) any consent given by DTC as Registered Owner. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent shall be entitled to treat and consider the Person in whose name each Bond is registered in the records of the Registrar as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption, sale, purchase or any event which would or could give rise to a sale or purchase right or option with respect to any Bond for the purpose of making payment of any purchase price of such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Issuer and Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2014 Refunding Bonds and the purchase price of any Bond only to or upon the order of the respective Registered Owners, as shown in the records of the Registrar as provided in this Ordinance, or their respective attorneys or legal representatives duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2014 Refunding Bonds to the extent of the sum or sums so paid. No Person other than a Registered Owner, as shown in the records of the Registrar, shall receive a Bond certificate evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest pursuant to this Ordinance.

The Registered Owners have no right to a depository for the Series 2014 Refunding Bonds. The Issuer may remove DTC or any successor thereto for any reason at any time. In such event or in the event DTC shall notify the Issuer that DTC is discontinuing its book-entry system for the Series 2014 Refunding Bonds, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities Exchange Act, notify DTC of the appointment of such successor securities depository and transfer one or more separate Bond certificates to such successor securities depository or (ii) notify DTC of the availability through the DTC of Bond certificates and transfer one or more separate Bond certificates to other participants or beneficial owners as DTC may direct. In such event, the Series 2014 Refunding Bonds shall no longer be restricted to being registered in the records of the Registrar in the name of Cede & Co., as nominee, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names other participants in DTC receiving Series 2014 Refunding Bonds shall designate, in accordance with the provisions of this Ordinance. The provisions of this Section applicable to DTC shall apply, mutatis mutandis, to any successor depository performing the same functions hereunder as DTC.

The Issuer represents hereby that it has executed a Letter of Representations, the terms of which are applicable to the issuance of the Series 2014 Refunding Bonds hereunder.

Such Letter of Representations is for the purpose of effectuating the Book-Entry Only System only and shall not be deemed to amend, supersede or supplement the terms of this Ordinance which are intended to be complete without reference to the Letter of Representations. In the event of any conflict between the terms of the Letter of Representations and the terms of this Ordinance, the terms of this Ordinance shall control. DTC may exercise the rights of a Registered Owner hereunder only in accordance with the terms hereof applicable to the exercise of such rights.

Section 3.12. Delivery of Series 2014 Refunding Bonds. The Issuer shall execute and deliver the Series 2014 Refunding Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2014 Refunding Bonds to the Original Purchaser upon receipt of the documents set forth below:

(1) If not registered in the name of DTC or its nominee, a list of the names in which the Series 2014 Refunding Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;

(2) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2014 Refunding Bonds to DTC for the benefit of the Original Purchaser;

(3) Copies of this Ordinance and the Supplemental Resolution certified by the Clerk;

(4) The unqualified approving opinions of Bond Counsel regarding the Series 2014 Refunding Bonds; and

(5) A copy of such other documents and certificates as the Original Purchaser may reasonably require.

Section 3.13. Form of Series 2014 Refunding Bonds. The definitive Series 2014 Refunding Bonds shall be in substantially the form set forth in EXHIBIT A – FORM OF SERIES 2014 REFUNDING BONDS attached hereto and incorporated herein by reference, with such necessary and appropriate omissions, insertions and variations as are approved by those officers executing such Series 2014 Refunding Bonds on behalf of the Issuer and execution thereof by such officers shall constitute conclusive evidence of such approval, and the definitive Series 2014 Refunding Bonds shall have the form of the opinion of Steptoe & Johnson PLLC, as Bond Counsel, attached thereto or printed on the reverse thereof.

Section 3.14. Disposition of Proceeds of Series 2014 Refunding Bonds. Upon the issuance and delivery of the Series 2014 Refunding Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

1. All interest accrued on Series 2014 C Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2014 C Bonds Sinking Fund and applied to payment of interest on the Series 2014 C Bonds at the first interest payment date.

2. An amount of the proceeds of the Series 2014 C Bonds equal to the amount, if any, set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2014 C Bonds Reserve Account.

3. An amount of the proceeds of the Series 2014 C Bonds equal to the entire outstanding principal of and all accrued interest on the Series 2003 A Bonds as set forth in the Supplemental Resolution shall be remitted to the Bond Commission to pay the Series 2003 A Bonds in full.

4. An amount of Series 2014 C Bond proceeds which, together with other monies or securities deposited therein, shall be equal to the Costs of Issuance of the Series 2014 C Bonds shall be deposited with the Depository Bank in the Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2014 C Bonds at the written direction of the Issuer. Monies not to be applied immediately to pay such costs of issuance may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 120 days following the Closing Date for the Series 2014 C Bonds, such unapplied proceeds shall be transferred by the Issuer to the Series 2014 C Bonds Sinking Fund established in Section 4.02 hereof and applied to the next ensuing payment of interest on the Series 2014 C Bonds. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2014 C Bonds from which such proceeds are derived.

5. All interest accrued on Series 2014 D Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2014 D Bonds Sinking Fund and applied to payment of interest on the Series 2014 D Bonds at the first interest payment date.

6. An amount of the proceeds of the Series 2014 D Bonds equal to the amount, if any, set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2014 D Bonds Reserve Account.

7. An amount of the proceeds of the Series 2014 D Bonds equal to the entire outstanding principal of and all accrued interest on the Series 2006 A Bonds as set forth in the Supplemental Resolution shall be remitted to the Bond Commission to pay the Series 2006 A Bonds in full.

8. An amount of Series 2014 D Bond proceeds which, together with other monies or securities deposited therein, shall be equal to the Costs of Issuance of the Series 2014 D Bonds shall be deposited with the Depository Bank in the Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2014 D Bonds at the written direction of the Issuer. Monies not to be applied immediately to pay such

costs of issuance may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 120 days following the Closing Date for the Series 2014 D Bonds, such unapplied proceeds shall be transferred by the Issuer to the Series 2014 D Bonds Sinking Fund established in Section 4.02 hereof and applied to the next ensuing payment of interest on the Series 2014 D Bonds. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2014 D Bonds from which such proceeds are derived.

9. All interest accrued on Series 2014 E Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2014 E Bonds Sinking Fund and applied to payment of interest on the Series 2014 E Bonds at the first interest payment date.

10. An amount of the proceeds of the Series 2014 E Bonds equal to the amount, if any, set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2014 E Bonds Reserve Account.

11. An amount of the proceeds of the Series 2014 E Bonds equal to the entire outstanding principal of and all accrued interest on the Series 2006 B Bonds as set forth in the Supplemental Resolution shall be remitted to the Bond Commission to pay the Series 2006 B Bonds in full.

12. An amount of Series 2014 E Bond proceeds which, together with other monies or securities deposited therein, shall be equal to the Costs of Issuance of the Series 2014 E Bonds shall be deposited with the Depository Bank in the Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2014 E Bonds at the written direction of the Issuer. Monies not to be applied immediately to pay such costs of issuance may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 120 days following the Closing Date for the Series 2014 E Bonds, such unapplied proceeds shall be transferred by the Issuer to the Series 2014 E Bonds Sinking Fund established in Section 4.02 hereof and applied to the next ensuing payment of interest on the Series 2014 E Bonds. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2014 E Bonds from which such proceeds are derived.

ARTICLE IV

SYSTEM REVENUES; FUNDS AND ACCOUNTS

Section 4.01. Establishment of Funds and Accounts with Depository Bank. Pursuant to this Article IV, the following special funds are created with (or continued if previously established by the Prior Ordinances), and shall be held by, the Depository Bank,

segregated from all other funds and accounts of the Depository Bank or the Issuer and from each other and used solely for the purposes provided herein:

(1) Revenue Fund (established by the Prior Ordinances);

(2) Operation and Maintenance Fund (established by the Prior Ordinances);

(3) Renewal and Replacement Fund (established by the Prior Ordinances);

(4) Series 2014 Bonds Costs of Issuance Fund; and

(5) Rebate Fund.

Section 4.02. Establishment of Funds and Accounts with Bond Commission. Pursuant to this Article IV, the following special funds and accounts are hereby established with and shall be held by the Bond Commission, separate and apart from all other funds or accounts of the Bond Commission or the Issuer and from each other and used solely for the purposes provided herein:

(1) Series 1987 B Bonds Sinking Fund (established by Prior Ordinances);

(2) Series 1987 B Bonds Reserve Account (established by Prior Ordinances);

(3) Series 1988 B-1 Bonds Sinking Fund (established by Prior Ordinances);

(4) Series 1988 B-1 Bonds Reserve Account (established by Prior Ordinances);

(5) Series 1988 B-2 Bonds Sinking Fund (established by Prior Ordinances);

(6) Series 1988 B-2 Bonds Reserve Account (established by Prior Ordinances);

(7) Series 1989 B Bonds Sinking Fund (established by Prior Ordinances);

(8) Series 1989 B Bonds Reserve Account (established by Prior Ordinances);

(9) Series 1998 Bonds Sinking Fund (established by Prior Ordinances);

(10) Series 1998 Bonds Reserve Account (established by Prior Ordinances);

(11) Series 2000 A Bonds Sinking Fund (established by Prior Ordinances);

(12) Series 2000 A Bonds Reserve Account (established by Prior Ordinances);

(13) Series 2002 A Bonds Sinking Fund (established by Prior Ordinances);

(14) Series 2002 A Bonds Reserve Account (established by Prior Ordinances);

(15) Series 2002 B Bonds Sinking Fund (established by Prior Ordinances);

(16) Series 2002 B Bonds Reserve Account (established by Prior Ordinances);

(17) Series 2002 C Bonds Sinking Fund (established by Prior Ordinances);

(18) Series 2002 C Bonds Reserve Account (established by Prior Ordinances);

(19) Series 2009 A Bonds Sinking Fund (established by Prior Ordinances);

(20) Series 2009 A Bonds Reserve Account (established by Prior Ordinances);

(21) Series 2010 A Bonds Sinking Fund (established by Prior Ordinances);

(22) Series 2010 A Bonds Reserve Account (established by Prior Ordinances);

(23) Series 2010 B Bonds Sinking Fund (established by Prior Ordinances);

(24) Series 2010 B Bonds Reserve Account (established by Prior Ordinances);

(25) Series 2010 C Bonds Sinking Fund (established by Prior Ordinances);

(26) Series 2010 C Bonds Reserve Account (established by Prior Ordinances);

(27) Series 2010 D Bonds Sinking Fund (established by Prior Ordinances);

(28) Series 2010 D Bonds Reserve Account (established by Prior Ordinances);

(29) Series 2011 A Bonds Sinking Fund (established by Prior Ordinances);

(30) Series 2011 A Bonds Reserve Account (established by Prior Ordinances);

(31) Series 2011 B Bonds Sinking Fund (established by Prior Ordinances);

(32) Series 2011 B Bonds Reserve Account (established by Prior Ordinances);

(33) Series 2012 A Bonds Sinking Fund (established by Prior Ordinances);

(34) Series 2012 A Bonds Reserve Account (established by Prior Ordinances);

(35) Series 2013 A Bonds Sinking Fund (established by Prior Ordinances);

(36) Series 2013 A Bonds Reserve Account (established by Prior Ordinances);

(37) Series 2013 B Bonds Sinking Fund (established by Prior Ordinances);

(38) Series 2013 B Bonds Reserve Account (established by Prior Ordinances);

(39) Series 2014 A Bonds Sinking Fund (established by the Series 2014 A Bond Ordinance);

(40) Series 2014 A Bonds Reserve Account (established by the Series 2014 A Bond Ordinance);

(41) Series 2014 B Bonds Sinking Fund (established by the Series 2014 A Bond Ordinance);

(42) Series 2014 B Bonds Reserve Account (established by the Series 2014 A Bond Ordinance);

(43) Series 2014 C Bonds Sinking Fund;

(44) Series 2014 C Bonds Reserve Account;

(45) Series 2014 D Bonds Sinking Fund;

(46) Series 2014 D Bonds Reserve Account;

(47) Series 2014 E Bonds Sinking Fund; and

(48) Series 2014 E Bonds Reserve Account.

Section 4.03. System Revenues and Application Thereof. So long as any of the Series 2014 Refunding Bonds shall be Outstanding and unpaid, the Issuer covenants as follows:

A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited by the Issuer in the Revenue Fund. The Revenue Fund shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided. All Revenues at any time remaining on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the First Lien Bonds the amounts required by the Prior Ordinances to pay the interest on the First Lien Bonds, if any; (ii) commencing 7 months prior to the first interest payment date of the Series 2014 C

Bonds, for deposit in the Series 2014 C Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Series 2014 C Bonds on the next ensuing semiannual interest payment date; provided, that in the event the period to elapse between the date of such initial deposit in the Series 2014 C Bonds Sinking Fund and the next ensuing semiannual interest payment date is more or less than 7 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date; provided, further that, the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2014 C Bonds Sinking Fund shall be reduced by the amount of accrued interest on the Series 2014 C Bonds deposited therein, and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2014 C Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2014 C Bonds Sinking Fund; (iii) commencing 7 months prior to the first interest payment date of the Series 2014 D Bonds, for deposit in the Series 2014 D Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Series 2014 D Bonds on the next ensuing semiannual interest payment date; provided, that in the event the period to elapse between the date of such initial deposit in the Series 2014 D Bonds Sinking Fund and the next ensuing semiannual interest payment date is more or less than 7 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date; provided, further that, the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2014 D Bonds Sinking Fund shall be reduced by the amount of accrued interest on the Series 2014 D Bonds deposited therein, and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2014 D Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2014 D Bonds Sinking Fund; and (iv) commencing 7 months prior to the first interest payment date of the Series 2014 E Bonds, for deposit in the Series 2014 E Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Series 2014 E Bonds on the next ensuing semiannual interest payment date; provided, that in the event the period to elapse between the date of such initial deposit in the Series 2014 E Bonds Sinking Fund and the next ensuing semiannual interest payment date is more or less than 7 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next

ensuing semiannual interest payment date, the required amount of interest coming due on such date; provided, further that, the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2014 E Bonds Sinking Fund shall be reduced by the amount of accrued interest on the Series 2014 E Bonds deposited therein, and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2014 E Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2014 E Bonds Sinking Fund.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the First Lien Bonds the amounts required by the Prior Ordinances to pay the principal of the First Lien Bonds; (ii) commencing 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2014 C Bonds, for deposit in the Series 2014 C Bonds Sinking Fund and in the Series 2014 C Bonds Redemption Account therein in the case of the Term Bonds which are to be redeemed, a sum equal to 1/12th of the amount (or 1/6th of the amount if the Series 2014 C Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the Series 2014 C Bonds on the next ensuing principal payment date or mandatory Redemption Date; provided, that in the event the period to elapse between the date of such initial deposit in the Series 2014 C Bonds Sinking Fund and the next ensuing principal payment date or mandatory Redemption Date is more or less than 13 months (or 7 months if the Series 2014 C Bonds mature semiannually rather than annually), then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2014 C Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph; (iii) commencing 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2014 D Bonds, for deposit in the Series 2014 D Bonds Sinking Fund and in the Series 2014 D Bonds Redemption Account therein in the case of the Term Bonds which are to be redeemed, a sum equal to 1/12th of the amount (or 1/6th of the amount if the Series 2014 D Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the Series 2014 D Bonds on the next ensuing principal payment date or mandatory Redemption Date; provided, that in the event the period to elapse

between the date of such initial deposit in the Series 2014 D Bonds Sinking Fund and the next ensuing principal payment date or mandatory Redemption Date is more or less than 13 months (or 7 months if the Series 2014 D Bonds mature semiannually rather than annually), then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2014 D Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph; and (iv) commencing 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2014 E Bonds, for deposit in the Series 2014 E Bonds Sinking Fund and in the Series 2014 E Bonds Redemption Account therein in the case of the Term Bonds which are to be redeemed, a sum equal to 1/12th of the amount (or 1/6th of the amount if the Series 2014 E Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the Series 2014 E Bonds on the next ensuing principal payment date or mandatory Redemption Date; provided, that in the event the period to elapse between the date of such initial deposit in the Series 2014 E Bonds Sinking Fund and the next ensuing principal payment date or mandatory Redemption Date is more or less than 13 months (or 7 months if the Series 2014 E Bonds mature semiannually rather than annually), then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2014 E Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph.

Moneys in the Series 2014 C Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2014 C Bonds, whether by maturity or redemption prior to maturity. Moneys on deposit in the Series 2014 C Bonds Reserve Account shall be used only for the purpose of paying principal of and interest on the Series 2014 C Bonds when the funds on deposit in the Series 2014 C Bonds Sinking Funk are insufficient therefore, and for no other purpose. Pending such use, such moneys shall be invested in accordance with Article V.

Moneys in the Series 2014 D Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2014 D Bonds, whether by maturity or redemption prior to maturity. Moneys on deposit in the Series 2014 D Bonds Reserve Account

shall be used only for the purpose of paying principal of and interest on the Series 2014 D Bonds when the funds on deposit in the Series 2014 D Bonds Sinking Funk are insufficient therefore, and for no other purpose. Pending such use, such moneys shall be invested in accordance with Article V.

Moneys in the Series 2014 E Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2014 E Bonds, whether by maturity or redemption prior to maturity. Moneys on deposit in the Series 2014 E Bonds Reserve Account shall be used only for the purpose of paying principal of and interest on the Series 2014 E Bonds when the funds on deposit in the Series 2014 E Bonds Sinking Funk are insufficient therefore, and for no other purpose. Pending such use, such moneys shall be invested in accordance with Article V.

The Issuer shall not be required to make any further payments into the Series 2014 C Bonds Sinking Fund when the aggregate amount of funds therein, including the Series 2014 C Bonds Reserve Account therein, is at least equal to the aggregate principal amount of Series 2014 C Bonds then Outstanding, plus the amount of interest due or thereafter to become due on such Bonds then Outstanding.

The Issuer shall not be required to make any further payments into the Series 2014 D Bonds Sinking Fund when the aggregate amount of funds therein, including the Series 2014 D Bonds Reserve Account therein, is at least equal to the aggregate principal amount of Series 2014 D Bonds then Outstanding, plus the amount of interest due or thereafter to become due on such Bonds then Outstanding.

The Issuer shall not be required to make any further payments into the Series 2014 E Bonds Sinking Fund when the aggregate amount of funds therein, including the Series 2014 E Bonds Reserve Account therein, is at least equal to the aggregate principal amount of Series 2014 E Bonds then Outstanding, plus the amount of interest due or thereafter to become due on such Bonds then Outstanding.

As and when additional Bonds ranking on a parity with the Series 2014 Refunding Bonds are issued, provision shall be made for additional deposits 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 account in an amount equal to the requirement thereof.

The payments into the Series 2014 C Bonds Sinking Fund, Series 2014 D Bonds Sinking Fund and Series 2014 E Bonds Sinking Fund shall be made on the first day of each month, except that, when the first day of any month shall be a Saturday, Sunday or legal holiday, then such payments shall be made on the next succeeding Business Day, and all such payments shall be remitted to the Bond Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Ordinance.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit

to the Bond Commission (i) for deposit in the respective Reserve Accounts of the First Lien Bonds the amounts required by the Prior Ordinances; (ii) commencing 13 months prior to the first date of payment of principal of the Series 2014 C Bonds, if not fully funded upon issuance of the Series 2014 C Bonds, for deposit in the Series 2014 C Bonds Reserve Account, an amount equal to 1/120th of the Series 2014 C Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 2014 C 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 2014 C Bonds Reserve Requirement, and thereafter the Issuer shall deposit in the Series 2014 C Bonds Reserve Account, an amount sufficient to remedy any decrease in value of the Series 2014 C Bonds Reserve Account below the Series 2014 C Bonds Reserve Requirement or any withdrawal from the Series 2014 C Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2014 C Bonds Reserve Account results in a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Series 2014 C Bonds Reserve Account is less than the Series 2014 C Bonds Reserve Requirement, or (b) any amount is withdrawn from the Series 2014 C Bonds Reserve Account for deposit into the Series 2014 C Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefore, the amount so deposited shall be used to restore the amount of moneys on deposit in the Series 2014 C Bonds Reserve Account to an amount equal to the Series 2014 C Bonds Reserve Requirement to the full extent that such Gross Revenues are available; provided however, that if the shortfall in the Series 2014 C Bonds Reserve Account is due to a decrease in value of investments therein, such shortfall shall be replenished by not less than 6 equal monthly payments, and if such shortfall is due to a withdrawal from the Series 2014 C Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2014 C Bonds Reserve Account whenever and as long as the amount on deposit therein shall be equal to the Series 2014 C Bonds Reserve Requirement; (iii) commencing 13 months prior to the first date of payment of principal of the Series 2014 D Bonds, if not fully funded upon issuance of the Series 2014 D Bonds, for deposit in the Series 2014 D Bonds Reserve Account, an amount equal to 1/120th of the Series 2014 D Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 2014 D 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 2014 D Bonds Reserve Requirement, and thereafter the Issuer shall deposit in the Series 2014 D Bonds Reserve Account, an amount sufficient to remedy any decrease in value of the Series 2014 D Bonds Reserve Account below the Series 2014 D Bonds Reserve Requirement or any withdrawal from the Series 2014 D Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2014 D Bonds Reserve Account results in a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Series 2014 D Bonds Reserve Account is less than the Series 2014 D Bonds Reserve Requirement, or (b) any amount is withdrawn from the Series 2014 D Bonds Reserve Account for deposit into the Series 2014 D Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefore, the amount so deposited shall be used to restore the amount of moneys on deposit in the Series 2014 D Bonds Reserve Account to an amount equal to the Series 2014 D Bonds Reserve Requirement to the full extent that such Gross Revenues are available; provided however, that if the shortfall in the Series 2014 D Bonds Reserve Account is due to a decrease in value of investments therein, such shortfall shall be replenished by not less than 6 equal monthly payments, and if such shortfall is due to a withdrawal from the Series 2014 D Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2014 D Bonds Reserve Account whenever and as long as the amount on deposit therein shall be equal to the Series 2014 D Bonds Reserve Requirement; and (iv) commencing 13 months prior to the first date of payment of principal of the Series 2014 E Bonds, if not fully funded upon issuance of the Series 2014 E Bonds, for deposit in the Series 2014 E Bonds Reserve Account, an amount equal to 1/120th of the Series 2014 E Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 2014 E 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 2014 E Bonds Reserve Requirement, and thereafter the Issuer shall deposit in the Series 2014 E Bonds Reserve Account, an amount sufficient to remedy any decrease in value of the Series 2014 E Bonds Reserve Account below the Series 2014 E Bonds Reserve Requirement or any withdrawal from the Series 2014 E Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2014 E Bonds Reserve Account results in

a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Series 2014 E Bonds Reserve Account is less than the Series 2014 E Bonds Reserve Requirement, or (b) any amount is withdrawn from the Series 2014 E Bonds Reserve Account for deposit into the Series 2014 E Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefore, the amount so deposited shall be used to restore the amount of moneys on deposit in the Series 2014 E Bonds Reserve Account to an amount equal to the Series 2014 E Bonds Reserve Requirement to the full extent that such Gross Revenues are available; provided however, that if the shortfall in the Series 2014 E Bonds Reserve Account is due to a decrease in value of investments therein, such shortfall shall be replenished by not less than 6 equal monthly payments, and if such shortfall is due to a withdrawal from the Series 2014 E Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2014 E Bonds Reserve Account whenever and as long as the amount on deposit therein shall be equal to the Series 2014 E Bonds Reserve Requirement.

Amounts in the Series 2014 C Bonds Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Series 2014 C Bonds when due, when amounts in the Series 2014 C Bonds Sinking Fund are insufficient therefore and for no other purpose.

Amounts in the Series 2014 D Bonds Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Series 2014 D Bonds when due, when amounts in the Series 2014 D Bonds Sinking Fund are insufficient therefore and for no other purpose.

Amounts in the Series 2014 E Bonds Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Series 2014 E Bonds when due, when amounts in the Series 2014 E Bonds Sinking Fund are insufficient therefore and for no other purpose.

(4) The Issuer shall next, each month, pay from the Revenue Fund the current Operating Expenses of the System.

(5) The Issuer shall next, on the first day of each month, transfer from the monies remaining in the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund (as previously set forth in the Prior Ordinances and not in addition thereto), a sum 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. Subject to the restrictions contained in the Prior Ordinances, so long as the First Lien Bonds are outstanding, withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, or improvements or extensions to the System; provided, that any deficiency in any Reserve Account, except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof, shall be promptly eliminated with monies from the Renewal and Replacement Fund.

(6) If on any monthly payment date the revenues of the System are insufficient to make the required deposits in any of the funds and accounts as hereinabove provided, the deficiency shall be made up on the next ensuing payment dates by payments in addition to the payments which are otherwise required to be made into the funds on such ensuing payment dates.

(7) The Issuer may next, each month, after making the above required transfers of moneys from the Revenue Fund, apply any remaining revenues ("Surplus Revenues") to payment of debt service on any subordinate bonds, notes, certificates or other obligations of the System. Any Surplus Revenues then remaining in the Revenue Fund may be used for any lawful purpose of the System.

B. The Bond Commission is hereby designated as the fiscal agent for the administration of the Sinking Funds created or continued hereunder, and all amounts required for said Sinking Funds shall be remitted to the Bond Commission from said Revenue Fund and from the proceeds of the sale of the Bonds, by the Issuer at the times and as otherwise provided herein. All remittances made by the Issuer to the Bond Commission shall clearly identify the fund or account into which each amount is to be deposited. Notwithstanding the foregoing, however, the Bond Commission shall deposit all remittances in the fund or account in the priority established by this Ordinance.

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

Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

D. Principal and interest payments, and any payments made for the purpose of funding the Reserve Accounts, shall be made on a parity basis and pro-rata, with respect to the First Lien Bonds, the Series 2014 Refunding Bonds and any parity Bonds hereinafter issued, in accordance with the respective principal amounts of each such series of Bonds then Outstanding, if less than the full amount required hereby.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE REBATES AND CONTINUING DISCLOSURE CERTIFICATE

Section 5.01. Investments. The Issuer shall invest and reinvest, and shall instruct the Bond Commission and the Depository Bank to invest and reinvest, any moneys held as a part of the funds and accounts created by this Ordinance in Qualified Investments to the fullest extent possible under applicable laws, this Ordinance, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this section.

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

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

(A) Qualified Investments acquired for the Renewal and Replacement Fund or any Reserve Account shall mature or be subject to retirement at the option of the holder within not more than 3 years from the date of such investment.

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

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal

from a Reserve Account, whereupon it shall be valued immediately after such withdrawal. If amounts on deposit in a Reserve Account shall, at any time, be less than the applicable Reserve Requirement, the applicable Bond Insurer, if any, shall be notified immediately of such deficiency, and such deficiency shall be made up from the first available Gross Revenues after required deposits to the applicable Sinking Fund and otherwise in accordance with Section 4.03(3).

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

(E) Notwithstanding the foregoing, all moneys deposited in any Sinking Fund may be invested by the Bond Commission in the West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the Code of West Virginia, 1931, as amended.

Section 5.02. Arbitrage. The Issuer covenants that (i) it will restrict the use of the proceeds of the Series 2014 E Bonds in such manner and to such extent as may be necessary, so that such Series 2014 E Bonds will not constitute "arbitrage bonds" under Section 148 of the Code and Regulations prescribed thereunder, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a Federal information return with respect to such Bonds) so that the interest on the Series 2014 E Bonds will be and remain excluded from gross income for Federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 5.03. Tax Certificate, Rebates, and Rebate Fund. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of any series of Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2014 E Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Ordinance.

The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, the Issuer or the Board shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States,

from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be in time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefore. The Issuer at its expense, may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 5.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

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

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants Binding and Irrevocable. All the covenants, agreements and provisions of this Ordinance 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 2014 Refunding Bonds, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Ordinance, the Issuer hereby covenants and agrees with the Holders of the Series 2014 Refunding Bonds as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2014 Refunding Bonds or the interest thereon, are Outstanding and unpaid.

Section 6.02. Bonds Not to be Indebtedness of the Issuer. The Series 2014 C Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, the moneys in the Series 2014 C Bonds Sinking Fund and the Series 2014 C Bonds Reserve Account therein and the unexpended proceeds of the Series 2014 C Bonds, all as herein provided. No Holder or Holders of the Series 2014 C Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2014 C Bonds or the interest thereon.

The Series 2014 D Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, the moneys in the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account therein and the unexpended proceeds of the Series 2014 D Bonds, all as herein provided. No Holder or Holders of the Series 2014 D Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2014 D Bonds or the interest thereon.

The Series 2014 E Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account therein and the unexpended proceeds of the Series 2014 E Bonds, all as herein provided. No Holder or Holders of the Series 2014 E Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2014 E Bonds or the interest thereon.

Section 6.03. Series 2014 Refunding Bonds Secured by Parity Pledge of Gross Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of all of the Series 2014 Refunding Bonds issued hereunder shall be secured forthwith equally and ratably with each other by a first lien on the Gross Revenues derived from the operation of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the First Lien Bonds and senior and prior to the Series 2014 B Bonds. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 2014 Refunding Bonds herein authorized, and to make the payments into the Series 2014 C Bonds Sinking Fund, Series 2014 D Bonds Sinking Fund and Series 2014 E Bonds Sinking Fund all moneys and securities in the respective Series 2014 Refunding Bonds Sinking Funds, including the respective Series 2014 Refunding Bonds Reserve Accounts therein, and all other payments provided for in this Ordinance, are hereby irrevocably pledged in the manner provided in this Ordinance to the payment of the principal of and interest on the Prior Bonds and the Series 2014 Refunding Bonds herein authorized as the same become due and for the other purposes provided in this Ordinance.

Section 6.04. Rates. Prior to the issuance of the Series 2014 Refunding Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder. Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System, (i) to

provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the Maximum Annual Debt Service on the Series 2014 Refunding Bonds, and all obligations issued on a parity with the Series 2014 Refunding Bonds, including the First Lien Bonds. All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System.

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 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 6.05. Operation and Maintenance. The Issuer will maintain the System in good condition and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the Revenues of said System in the manner provided in this Ordinance. The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia necessary for the operation of the System.

Section 6.06. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System except as provided in the Prior Ordinances. Additionally, so long as the Series 2014 Refunding Bonds are Outstanding, the System may be sold, mortgaged, leased or otherwise disposed of only 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, or to defease the pledge created by this Ordinance and the Prior Ordinances. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Bond Commission for deposit in the respective Sinking Funds, and otherwise as prescribed by Section 9.01. Any balance remaining after such defeasance shall be remitted to the Issuer by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Board 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 is not in excess of $50,000, the Issuer shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Revenue Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $50,000 but not in excess of $200,000, the Issuer shall first, in writing, determine with the written approval of the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer may then, if it

be so advised, by resolution duly adopted, approve and concur in such finding and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $50,000 and not in excess of $200,000, shall be deposited by the Issuer into the Renewal and Replacement Fund. Such payments of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Ordinance.

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 shall be in excess of $200,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 60% in amount of Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except additional parity Bonds provided for in Section 6.08 hereof, 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 the Gross Revenues with the Series 2014 Refunding Bonds; and all obligations hereafter issued by the Issuer payable from the revenues of the System, except such additional 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 Bonds.

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, except with respect to such additional parity Bonds, being on a parity with the lien of the Series 2014 Refunding Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2014 Refunding Bonds and the interest thereon in this Ordinance or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. So long as the Prior Bonds are Outstanding, the limitations and requirements on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no additional parity Bonds, as in this section defined, payable out of the revenues of the System shall be issued after the issuance of any Bonds pursuant to this Ordinance, except under the conditions and in the manner herein provided.

No such additional parity Bonds shall be issued except for the purpose of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto, or refunding the Prior Bonds, to pay claims which may exist against the revenues or facilities of the System, or all of such purposes.

No such additional parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Clerk of the Issuer a written statement by an Independent Accountant, reciting the conclusion that the Net Revenues actually derived from the System during any 12 consecutive months in 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 Maximum Annual Debt Service on the following:

(1) The Prior Bonds then Outstanding;

(2) The Series 2014 Refunding Bonds then Outstanding;

(3) Any additional parity Bonds theretofore issued pursuant to the provisions contained in this Ordinance then Outstanding; and

(4) The additional parity Bonds then proposed to be issued.

Notwithstanding the foregoing, the Issuer shall be permitted to issue bonds which refund any Outstanding Series 2014 Refunding Bonds, any additional parity Bonds hereafter issued or any Prior Bonds if, prior to the issuance of such refunding bonds, the Issuer shall have filed with the Clerk: (i) a verification report of the Independent Accountants concluding that present value debt service savings shall be realized by the Issuer as a result of such refunding, after taking into account all costs of issuance of such refunding bonds, and (ii) a certificate of the Independent Accountants reciting the conclusion that the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the issuance of such refunding bonds shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Prior Bonds Outstanding after such refunding;

(2) The Series 2014 Refunding Bonds Outstanding after such refunding;

(3) Any additional parity Bonds theretofore issued pursuant to the provisions contained in this Ordinance which shall be Outstanding following such refunding; and

(4) The additional parity refunding 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 any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the date of delivery of such additional parity Bonds, and shall not exceed the amount to be stated in the aforementioned certificate of Independent Accountants, which shall be filed in the office of the Clerk of the Issuer prior to the issuance of such additional 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 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.

The term "additional parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Series 2014 Refunding Bonds, and all the covenants and other provisions of this Ordinance (except as to details of such additional parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Series 2014 Refunding Bonds, the Prior Bonds and the Holders of any additional parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Gross Revenues of the System, and their source of and security for payment from said Gross Revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Ordinance required for and on account of such additional parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Ordinance.

The term "additional parity Bonds," as used in this section, shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien on the Revenues of the System of which 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 equally, as to lien and source of and security for payment from such Revenues, with the Series 2014 Refunding Bonds, except in the manner and under the conditions provided in this section.

No additional parity Bonds, as in this section defined, shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Ordinance on account of the Bonds then Outstanding, if any (excluding the Renewal and Replacement Fund), and any other payments provided for in this Ordinance shall have been made in full as required to the date of delivery of the additional parity Bonds.

Section 6.09. Insurance and Bonds. The Issuer hereby covenants and agrees, that so long as the Series 2014 Refunding Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance and bonds and workers' compensation coverage with a reputable insurance carrier or carriers or bonding company or companies covering the following risks and in the following amounts:

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the greater of the fair appraised value or the original cost thereof. In the time of war the Issuer will also carry and maintain insurance to the extent available against risks

and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged and destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund.

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

C. WORKERS' COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing 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 any additions, extensions or improvements for the System in compliance with West Virginia Code, Section 38-2-39.

D. FLOOD INSURANCE, to extent available at reasonable cost to the Issuer.

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

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

Section 6.10. Mandatory Connections. The mandatory use of the sewerage portion 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 waterborne waste matter produced or arising within the territory served by the sewerage portion of the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near 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 sewerage portion of 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 and every such owner, tenant or occupant shall, after a 30 day notice of the availability of sewerage services of the System, pay the rates and charges established therefore.

Any such house, dwelling or building from which emanates sewage or waterborne waste matter and which is not so connected with the sewerage portion of the System is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the residents of

the Issuer and a public nuisance which shall be abated to the extent permitted by law and as promptly as possible by proceedings in a court of competent jurisdiction.

Section 6.11. No Free Services. The Board will not render or cause to be rendered any free services of any nature by its System; and, in the event the Board, the Issuer or any department, agency, instrumentality, officer or employee thereof shall avail himself 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. Such charges shall be paid as they accrue, and the Issuer shall transfer from its general funds sufficient sums to pay such charges for service to any of its departments or properties. The revenues so received shall be deemed to be revenues derived from the operation of the System and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 6.12. Enforcement of Collections. The Issuer or the Board will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, the user of the services and facilities shall be delinquent until such time as all such rates and charges are fully paid and to the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent rates, rentals and other charges, if not paid, shall become a lien on the premises served by the System. The Issuer and the Board further covenants and agree that they will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services and facilities of the System to all delinquent users of services and facilities of the System and will not restore such services of the System until all billing for charges for the services and facilities of the System, including penalties and reconnect fees, have been fully paid, or a payment agreement in compliance with the West Virginia Public Service Commission regulations has been entered.

Section 6.13. No Competing Franchise. To the extent legally allowable, neither the Issuer nor the Board will grant or cause, consent to or allow the granting of any franchise or permit to any person, firm, corporation or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 6.14. Books and Records. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds shall have the right at all reasonable times to inspect the System, and all parts thereof, and all records, accounts and data of the Issuer relating thereto.

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

The Issuer shall file with the Original Purchaser and any Bond Insurer, and shall mail to any Holder of Bonds requesting the same, an annual report within 120 days following the end of each Fiscal Year containing a balance sheet, statement of revenues, expenses, and changes in retained earnings, and statement of cash flows, as prescribed by generally accepted accounting principles.

The Issuer shall also file with the Original Purchaser and any Bond Insurer, and mail to any Holder of Bonds requesting the same, a monthly unaudited report within 30 days following the end of each month containing the following:

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

(B) A statement of account balances in the Sinking Fund accounts provided for in this Ordinance and status of said funds.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be completely audited by Independent Accountants, shall mail upon request, and make available generally, the report of said Independent Accountants, or a summary thereof, to any Holder or Holders of Bonds issued pursuant to this Ordinance and shall file said report with the Original Purchaser.

Section 6.15. Operating Budget. The Issuer shall annually, at least 30 days preceding the beginning of each Fiscal Year, or at such earlier date required by its charter or the charter of the Board, prepare and adopt by resolution a detailed budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Original Purchaser and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Original Purchaser and to any Holder of Bonds or anyone acting for and in behalf of such Holder who requests the same.

Section 6.16. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2014 Refunding Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on such Series 2014 Refunding Bonds during the term thereof is, under the terms of such Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2014 Refunding Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2014 Refunding Bonds during the terms thereof is, under the terms of such Series 2014 Refunding Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2014 Refunding Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the System, or if the Series 2014 Refunding Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System to which such Private Business Use is related.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2014 Refunding Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2014 Refunding Bonds to be directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2014 Refunding Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take all actions that may be required of it so that the interest on the Series 2014 Refunding Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 6.17. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2014 Refunding 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 the issuance of the Series 2014 Refunding Bonds

and shall be on a parity with one another and with the statutory mortgage lien in favor of the Holders of the First Lien Bonds and senior and prior to the Series 2014 B Bonds.

Section 6.18. Designation of Series 2014 E Bonds as "Qualified Tax-Exempt Obligations". The Issuer hereby designates the Series 2014 E Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Series 2014 E Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Series 2014 E Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2014, all as determined in accordance with the Code.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2014 Refunding Bonds:

(A) If default by the Issuer occurs in the due and punctual payment of the principal of or interest on any Bond;

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

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

(D) If the Issuer defaults on the Prior Bonds or the Prior Ordinances.

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

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

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

(C) Bring suit upon the Bonds;

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

(E) By action or bill in equity enjoin any acts in violation of this Ordinance or the rights of the Registered Owners of the Bonds.

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

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

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

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

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

Whenever all that is due upon the Series 2014 Refunding Bonds issued pursuant to this Ordinance and interest thereon and under any covenants of this Ordinance for reserve, sinking or other funds and accounts and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the Revenues of the System shall have been paid and made good, and all defaults under the provisions of this Ordinance 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 shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

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

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

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

ARTICLE VIII

REGISTRAR, PAYING AGENT AND DEPOSITORY BANK

Section 8.01. Appointment of Registrar, Paying Agent and Depository Bank. The Registrar, Paying Agent and Depository Bank (collectively, the "Fiduciaries") for the Series 2014 Refunding Bonds shall be appointed pursuant to the Supplemental Resolution. The Issuer is hereby authorized and directed to enter into an agreement with the Fiduciaries, the substantial form of which agreement is to be approved by Supplemental Resolution.

Section 8.02. Responsibilities of Fiduciaries. The recitals of fact in the Series 2014 Refunding Bonds shall be taken as statements of the Issuer, and the Fiduciaries shall

not be responsible for their accuracy. The Fiduciaries shall not be deemed to make any representation as to, and shall not incur any liability on account of, the validity of the execution of any Series 2014 Refunding Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication on the Series 2014 Refunding Bonds. The Fiduciaries and any successor thereto shall agree to perform all the duties and responsibilities spelled out in this Ordinance and any other duties and responsibilities incident thereto, all as provided by said agreement described in Section 8.01.

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

Section 8.04. Compensation and Expenses. The Issuer shall pay to the Fiduciaries from time to time reasonable compensation for all services, including the transfer of registration of Series 2014 Refunding Bonds, the first exchange of Series 2014 Refunding Bonds and the exchange of Series 2014 Refunding Bonds in the event of partial redemption, incurred in the performance of their duties hereunder.

Section 8.05. Certain Permitted Acts. The Registrar may become the owner of or may deal in Series 2014 Refunding Bonds as fully and with the same rights it would have if it were not Registrar. To the extent permitted by law, the Registrar may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Registered Owners or effect or aid in any reorganization growing out of the enforcement of the Series 2014 Refunding Bonds or this Ordinance, whether or not any such committee shall represent the Registered Owners of a majority in principal amount of the Series 2014 Refunding Bonds Outstanding.

Section 8.06. Resignation of Registrar. The Registrar may at any time resign and be discharged of its duties and obligations under this Ordinance by giving not less than 60 days' written notice to the Issuer and publishing in an Authorized Newspaper notice (or mailing such notice to each Registered Owner in the event all Series 2014 Refunding Bonds are fully registered), specifying the date when such resignation shall take effect, within 20 days after the giving of such written notice. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Such resignation shall take effect upon the day specified in such notice unless a successor shall have been previously appointed by the Issuer or bondholders, in which event such resignation shall take effect immediately.

Section 8.07. Removal. The Registrar may be removed at any time by the Issuer or by the Registered Owners of a majority in principal amount of the Series 2014 Refunding

Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer or by such Registered Owners or their attorneys duly authorized in writing and delivered to the Issuer, as the case may be. Copies of each such instrument shall be delivered by the Issuer to the Registrar.

Section 8.08. Appointment of Successor. In case at any time the Registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Registrar or of its property shall be appointed, or if any public officer or court shall take charge or control of the Registrar or of its property or affairs, a successor may be appointed by the Registered Owners of a majority in principal amount of the Series 2014 Refunding Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Registered Owners or their attorneys duly authorized in writing and delivered to the Issuer and such successor Registrar, notification thereof being given to the predecessor Registrar. Pending such appointment, the Issuer shall forthwith appoint a Registrar to fill such vacancy until a successor Registrar shall be appointed by such Registered Owners. The Issuer shall publish in an Authorized Newspaper (or mail to each Registered Owner in the event all Series 2014 Refunding Bonds are fully registered) notice of any such appointment within 20 days after the effective date of such appointment. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Any successor Registrar appointed by the Issuer shall, immediately and without further act, be superseded by a Registrar appointed by such Registered Owners. If in a proper case no appointment of a successor Registrar shall be made within 45 days after the Registrar shall have given to the Issuer written notice of resignation or after the occurrence of any other event requiring such appointment, the Registrar or any Registered Owner may apply to any court of competent jurisdiction to appoint a successor. Any Registrar appointed under the provisions of this section shall be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance.

Section 8.09. Transfer of Rights and Property to Successor. Any predecessor Registrar or Paying Agent shall pay over, assign and deliver any moneys, books and records held by it and relating to the Series 2014 Refunding Bonds to its successor.

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

Section 8.11. Adoption of Authentication. In case any of the Series 2014 Refunding Bonds shall have been authenticated but not delivered, any successor Registrar may adopt a Certificate of Authentication and Registration executed by any predecessor Registrar and deliver such Series 2014 Refunding Bonds so authenticated, and, in case any Series 2014 Refunding Bonds shall have been prepared but not authenticated, any successor Registrar may

authenticate such Series 2014 Refunding Bonds in the name of the predecessor Registrar or in its own name.

Section 8.12. Paying Agent and Depository Bank. The Bond Commission shall serve as Paying Agent. The Registrar and Depository Bank shall be designated by Supplemental Resolution. Any alternate Paying Agent must be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Series 2014 Refunding Bonds shall be and remain DTC-eligible.

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

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

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

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

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

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 9.01. Defeasance; Discharge of Pledge of Ordinance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Registered Owners of all Series 2014 Refunding Bonds the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, then this Ordinance and the

pledges of the Gross Revenues and other moneys and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Registered Owners of the Series 2014 Refunding Bonds made hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2014 Refunding Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Bond Commission or an escrow trustee either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on said Series 2014 Refunding Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of said Series 2014 Refunding Bonds prior to the maturity thereof, on and prior to said redemption date. Neither securities nor moneys deposited with the Bond Commission or an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Series 2014 Refunding Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on said Bonds on and prior to such maturity or redemption dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Ordinance. This Ordinance and any Supplemental Resolution may be amended or modified without the consent of any Registered Owner or other person, solely for the purpose of maintaining the tax-exempt status of the Series 2014 Refunding Bonds, provided that, in the event any of the Series 2014 Refunding Bonds are insured, no such amendment or modification which adversely affects the security for such Series 2014 Refunding Bonds or the rights of the applicable Bond Insurer for such Series 2014 Refunding Bonds may be effected without the written consent of such Bond Insurer. Otherwise, no materially adverse amendment or modification to this Ordinance, or of any Supplemental Resolution, may be made

without the written consent of the Registered Owners of 60% in aggregate principal amount of the Series 2014 Refunding Bonds then Outstanding and affected thereby and the Bond Insurer, which must be filed with the Clerk of the Issuer before any such modification or amendment may be made. No such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Series 2014 Refunding Bond without the express written consent of the Registered Owner of such Bond, nor reduce the percentage of Series 2014 Refunding Bonds required for consent to any such modification or amendment.

Section 10.02. Evidence of Signatures of Registered Owners and Ownership of Series 2014 Refunding Bonds. Any request, consent, revocation of consent or other instrument which this Ordinance may require or permit to be signed and executed by Registered Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Registered Owners in person or by their attorneys duly authorized in writing. Proof of the execution of any such instrument, or of an instrument appointing or authorizing any such attorney, shall be sufficient for any purpose of this Ordinance if made in the following manner, or in any other manner satisfactory to the Issuer or the Registrar, as the case may be, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

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

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

C. The amount of fully registered Series 2014 Refunding Bonds held by a person executing any instrument as a Registered Owner, the date of his holding such Series 2014 Refunding Bonds and the numbers and other identification thereof, shall be confirmed by the Bond Register.

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

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

Section 10.04. Cancellation of Series 2014 Refunding Bonds. All Series 2014 Refunding Bonds purchased or paid shall, if surrendered to the Issuer, be canceled and delivered to the Registrar, or, if surrendered to the Registrar, be canceled by it. No such Series 2014 Refunding Bonds shall be deemed Outstanding under this Ordinance and no Series 2014 Refunding Bonds shall be issued in lieu thereof. All such Series 2014 Refunding Bonds shall be canceled and upon order of the Issuer shall be destroyed, and a certificate evidencing such destruction shall be delivered to the Issuer.

Section 10.05. Failure to Present Series 2014 Refunding Bonds. Anything in this Ordinance to the contrary notwithstanding, any moneys held by the Bond Commission or a Paying Agent in trust for the payment and discharge of any of the Series 2014 Refunding Bonds which remain unclaimed for 1 year after the date on which such Series 2014 Refunding Bonds have become due and payable, whether by maturity or upon call for redemption, shall at the written request of the Issuer be paid by the Bond Commission or said Paying Agent to the Issuer as its absolute property and free from trust, and the Bond Commission or said Paying Agent shall thereupon be released and discharged with respect thereto, and the Registered Owners of such Series 2014 Refunding Bonds shall look only to the Issuer for the payment of such Series 2014 Refunding Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Bond Commission, or said Paying Agent shall send to the Registered Owner, at the address listed on the Bond Register, by certified mail, a notice that such moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of such notice is mailed, the balance of such moneys then unclaimed will be returned to the Issuer. If any of said Series 2014 Refunding Bonds is a coupon Bond the Registrar or said Paying Agent shall also publish such notice, not less than 30 days prior to the date such moneys will be returned to the Issuer, in an Authorized Newspaper.

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

CITY:

City of Charles Town
P. O. Box 14
Charles Town, West Virginia 25414
Attention: City Manager

PAYING AGENT:

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

REGISTRAR:

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

DEPOSITORY BANK:

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

ORIGINAL PURCHASERS:

Crews & Associates, Inc.
300 Summers Street
Suite 930
Charleston, West Virginia 25301

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

Section 10.07. No Personal Liability. No member of the Council or officer or employee of the Issuer shall be individually or personally liable for the payment of the principal of or the interest on any Series 2014 Refunding Bond, but nothing herein contained shall relieve any such member, official or employee from the performance of any official duty provided by law or this Ordinance.

Section 10.08. Law Applicable. The laws of the State shall govern the construction of this Ordinance and of all Series 2014 Refunding Bonds issued hereunder.

Section 10.09. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2014 Refunding Bonds and the Original Purchaser, any right, remedy or claim under or by reason of this Ordinance. All the covenants, stipulations, promises and agreements contained in this

Ordinance by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2014 Refunding Bonds and the Original Purchaser.

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

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

Section 10.12. Conflicting Provisions Repealed. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, provided however, that the Prior Ordinances shall remain in full force and effect so long as any of the Prior Bonds are Outstanding.

Section 10.13. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this 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, City Manager, City Clerk and members of the Council were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 10.14. Procedure on Enactment of Ordinance; Public Hearing. Upon adoption of this Ordinance, the Clerk is hereby authorized and directed to have an abstract of this Ordinance, which abstract has been determined by the Council to contain sufficient information to give notice of the contents of such Ordinance, published once each week for 2 successive weeks, with not less than six full days between each publication, the first such publication to be not less than 10 days before the date stated below for the public hearing, in the *Spirit of Jefferson Advocate*, a newspaper published and having a general circulation in the City of Charles Town, together with a notice to all persons concerned, stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds described in this Ordinance and that any person interested may appear before the Council of the Issuer at the public hearing to be had at a public meeting of the Council on May 12, 2014, at 7:00 p.m., and present protests, and that a certified copy of this Ordinance is on file with the Clerk for review by interested parties during the office hours of the Clerk. At such hearing all protests and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises.

[Remainder of Page Intentionally Left Blank]

Section 10.15. Effective Date. This Ordinance shall take effect immediately upon enactment.

First Reading: April 15, 2014

Second Reading: May 5, 2014

Passed on Final Reading Following Public Hearing: May 19, 2014

Enacted this 19th day of May, 2014.

CITY OF CHARLES TOWN

[SEAL]

Mayor

ATTEST:

City Clerk

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the Council of the CITY OF CHARLES TOWN at a regular meeting of the Council held at 7:00p.m., on May 19, 2014, pursuant to proper notice, at which meeting a quorum was present and acting throughout, and which Ordinance was enacted following a public hearing thereon, notice of which public hearing was published once a week for two successive weeks in a newspaper published and having a general circulation in the City of Charles Town, the first publication having been not less than 10 days prior to such public hearing.

Dated: October 31, 2014.

[SEAL]

City Clerk

EXHIBIT A-1 – FORM OF SERIES 2014 C BONDS

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. CR-_____

$_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 C (AMT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date,

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

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by _____, _____, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each _____ 15 and _____ 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by _____, _____, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in _____, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $_____ designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2003 A Bonds, (ii) to fund the Series 2014 C Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 C Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on _____, 2014, and supplemented by supplemental resolutions adopted by said Council on _____, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Optional Redemption. The Bonds maturing on or after _____, _____ are subject to redemption prior to maturity at the option of the Issuer on and after _____, _____, in whole or in part at any time, in such order of maturity as shall be designated to the Registrar by the Issuer and by lot within a maturity, at the following redemption prices (expressed as percentages of the principal amount of Bonds to be redeemed), plus interest accrued thereon to the date fixed for redemption:

Period During Which Redeemed (Dates Inclusive)	Redemption Price
_____ to _____	$_____
_____ to _____	$_____
_____ to _____	$_____

(B) Mandatory Sinking Fund Redemption. The Bonds maturing on _____, are subject to annual mandatory redemption prior to maturity by random selection on _____ of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing

Year ( )	Principal Amount

Bonds Maturing

Year ( )	Principal Amount

_____

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or

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

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 C BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED _____, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED _____, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2014 D BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E (BANK-QUALIFIED), DATED _____, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2014 D BONDS")

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "FIRST LIEN BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the First Lien Bonds, Series 2014 D Bonds and Series 2014 E Bonds and senior and prior to the Series 2014 B Bonds and from moneys in the Series 2014 C Bonds Sinking Fund and the Series 2014 C Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such

Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 C Bonds Sinking Fund and the Series 2014 C Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the First Lien Bonds, Series 2014 D Bonds and Series 2014 E Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2003 A Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

(Manual or Facsimile Signature)
Mayor

(Manual or Facsimile Signature)
City Manager

ATTEST:

(Manual or Facsimile Signature)
City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: _____, 20_____.

_____,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

EXHIBIT A-2 – FORM OF SERIES 2014 D BONDS

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. DR-_____

$_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 D (TAXABLE)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date,

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

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by _____, _____, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each _____ 15 and _____ 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by _____, _____, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in _____, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $_____ designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 A Bonds, (ii) to fund the Series 2014 D Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 D Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on _____, 2014, and supplemented by supplemental resolutions adopted by said Council on _____, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Optional Redemption. The Bonds maturing on or after _____, _____ are subject to redemption prior to maturity at the option of the Issuer on and after _____, _____, in whole or in part at any time, in such order of maturity as shall be designated to the Registrar by the Issuer and by lot within a maturity, at the following redemption prices (expressed as percentages of the principal amount of Bonds to be redeemed), plus interest accrued thereon to the date fixed for redemption:

Period During Which Redeemed (Dates Inclusive)	Redemption Price
_____ to _____	$_____
_____ to _____	$_____
_____ to _____	$_____

(B) Mandatory Sinking Fund Redemption. The Bonds maturing on _____, are subject to annual mandatory redemption prior to maturity by random selection on _____ of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing

Year ( )	Principal Amount

Bonds Maturing

Year ( )	Principal Amount

_____
* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or

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

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 D BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED _____, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED _____, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E (BANK-QUALIFIED), DATED _____, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2014 D BONDS")

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "FIRST LIEN BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the First Lien Bonds, Series 2014 C Bonds and Series 2014 E Bonds and from moneys in the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal

of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the First Lien Bonds, Series 2014 C Bonds and Series 2014 E Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 A Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

(Manual or Facsimile Signature)
Mayor

(Manual or Facsimile Signature)
City Manager

ATTEST:

(Manual or Facsimile Signature)
City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: _____, 20_____.

_____,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

EXHIBIT A-3 – FORM OF SERIES 2014 E BONDS

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-_____

$_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date,

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

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by _____, _____, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each _____ 15 and _____ 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by _____, _____, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in _____, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $_____ designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on _____, 2014, and supplemented by supplemental resolutions adopted by said Council on _____, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Optional Redemption. The Bonds maturing on or after _____, _____ are subject to redemption prior to maturity at the option of the Issuer on and after _____, _____, in whole or in part at any time, in such order of maturity as shall be designated to the Registrar by the Issuer and by lot within a maturity, at the following redemption prices (expressed as percentages of the principal amount of Bonds to be redeemed), plus interest accrued thereon to the date fixed for redemption:

Period During Which Redeemed (Dates Inclusive)	Redemption Price
_____ to _____	$_____
_____ to _____	$_____
_____ to _____	$_____

(B) Mandatory Sinking Fund Redemption. The Bonds maturing on _____, are subject to annual mandatory redemption prior to maturity by random selection on _____ of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing

Year ( )	Principal Amount

Bonds Maturing

Year ( )	Principal Amount

_____
* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or

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

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 E BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED _____, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED _____, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED _____, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2014 D BONDS")

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "FIRST LIEN BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the First Lien Bonds, Series 2014 C Bonds and Series 2014 D Bonds and from moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal

of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the First Lien Bonds, Series 2014 C Bonds and Series 2014 D Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2003 A Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

(Manual or Facsimile Signature)
Mayor

(Manual or Facsimile Signature)
City Manager

ATTEST:

(Manual or Facsimile Signature)
City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: _____, 20_____.

_____,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

City of Charles Town
Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT);
Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable); and
Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)

SUPPLEMENTAL PARAMETERS RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING PARAMETERS AS TO THE PRINCIPAL AMOUNTS, DATES, MATURITY DATES, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES AND OTHER TERMS OF THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C; THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D; AND THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E OF THE CITY OF CHARLES TOWN; AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF SUCH BONDS TO THE ORIGINAL PURCHASER; APPOINTING A REGISTRAR AND PAYING AGENT FOR SUCH BONDS; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the City of Charles Town (the "Issuer") in the County of Jefferson, State of West Virginia, is a municipal corporation and political subdivision of said State, the governing body of which is its Council (the "Governing Body");

WHEREAS, the Governing Body has duly and officially enacted on May 19, 2014, an Ordinance (the "Ordinance") entitled:

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2003 A (AMT); COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A (TAXABLE) AND COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 B (TAX-EXEMPT) AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $1,000,000; COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $1,800,000; AND COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT

OF NOT MORE THAN $1,800,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX AND NON-ARBITRAGE CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; 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 Ordinance when used herein;

WHEREAS, the Ordinance provides for the issuance by the Issuer of its Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT) in an aggregate principal amount not to exceed $1,000,000 (the "Series 2014 C Bonds"); Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable) in an aggregate principal amount not to exceed $1,800,000 (the "Series 2014 D Bonds"); and Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified) in an aggregate principal amount not to exceed $1,800,000 (the "Series 2014 E Bonds"); in accordance with Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act");

WHEREAS, the Issuer is advised that current market conditions are such that interest savings would be realized from the current refunding of its outstanding Combined Waterworks and Sewerage System Revenue Bonds, Series 2003 A (AMT Uninsured), dated January 15, 2003, issued in the original aggregate principal amount of $1,000,000 (the "Series 2003 A Bonds") and the Issuer has determined that it is currently in the best interest of its residents to currently refund the Series 2003 A Bonds pursuant to the issuance of its Series 2014 C Bonds;

WHEREAS, the Issuer is advised that current market conditions are such that interest savings would be realized from the current refunding of its outstanding Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A (Taxable), dated January 9, 2006, issued in the original aggregate principal amount of $1,830,000 (the "Series 2006 A Bonds") and the Issuer has determined that it is currently in the best interest of its residents to currently refund the Series 2006 A Bonds pursuant to the issuance of its Series 2014 D Bonds;

WHEREAS, the Issuer is advised that current market conditions are such that interest savings would be realized from the current refunding of its outstanding Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 B (Tax-Exempt), dated July 27, 2006, issued in the original aggregate principal amount of $2,000,000 (the "Series 2006 B Bonds") and the Issuer has determined that it is currently in the best interest of its residents to currently refund the Series 2006 B Bonds pursuant to the issuance of its Series 2014 E Bonds;

WHEREAS, the Ordinance further provided that the exact dates, amounts, maturities, interest rates, redemption provisions, purchase price and other terms of the Bonds should be established by Supplemental Resolution or by a Certificate of Determinations, that a Registrar, Paying Agent and Depository Bank be designated, that a Bond Purchase Agreement, a Continuing Disclosure Agreement, a Registrar Agreement and an Official Statement be approved and that other matters pertaining to the Bonds be provided for by a Supplemental Resolution of the Governing Body or pursuant to a Certificate of Determinations, that additional covenants and provisions relating to the Bonds be provided therein, and

that other matters pertaining to the Bonds be provided for by a supplemental resolution of this Governing Body or by Certificate of Determinations;

WHEREAS, the Bonds are proposed to be purchased by Crews & Associates, Inc., Charleston, West Virginia (the "Original Purchaser"), pursuant to a Bond Purchase Agreement between the Original Purchaser and the Issuer, to be dated the date of execution thereof (the "Bond Purchase Agreement");

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

WHEREAS, the Governing Body deems it essential and desirable that this supplemental parameters resolution (the "Supplemental Parameters Resolution") be adopted, that the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax and Non-Arbitrage Certificate and the Registrar Agreement hereinafter provided for be entered into by the Issuer, that the Official Statement relating to the Bonds, hereinafter described, be approved, that the Mayor be authorized to enter into the Bond Purchase Agreement within the parameters hereby approved by the Governing Body, and that other matters relating to the Bonds be herein provided for all in accordance with the Ordinance;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHARLES TOWN:

SECTION 1. For the purposes of (i) paying the entire outstanding principal balance of and all accrued interest on the Issuer's outstanding Series 2003 A Bonds, (ii) funding a debt service reserve account for the Series 2014 C Bonds, and (iii) paying costs of issuance of the Series 2014 C Bonds and related costs, the Governing Body of the Issuer hereby authorizes and orders the issuance of the Series 2014 C Bonds in an aggregate principal amount not to exceed $1,000,000.

SECTION 2. For the purposes of (i) paying the entire outstanding principal balance of and all accrued interest on the Issuer's outstanding Series 2006 A Bonds, (ii) funding a debt service reserve account for the Series 2014 D Bonds, and (iii) paying costs of issuance of the Series 2014 D Bonds and related costs, the Governing Body of the Issuer hereby authorizes and orders the issuance of the Series 2014 D Bonds in an aggregate principal amount not to exceed $1,800,000.

SECTION 3. For the purposes of (i) paying the entire outstanding principal balance of and all accrued interest on the Issuer's outstanding Series 2006 B Bonds, (ii) funding a debt service reserve account for the Series 2014 E Bonds, and (iii) paying costs of issuance of the Series 2014 E Bonds and related costs, the Governing Body of the Issuer hereby authorizes and orders the issuance of the Series 2014 E Bonds in an aggregate principal amount not to exceed $1,800,000.

SECTION 4. Pursuant to the Ordinance and the Act, this Supplemental Parameters Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2014 C Bonds. The Series 2014 C Bonds shall be issued in the aggregate principal amount not to exceed $1,000,000, bear interest at a rate not to exceed 6.0%, payable semiannually as determined by the Certificate of Determinations and shall mature no later than December 1, 2032, shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor pursuant to the execution and delivery by the Mayor of a Certificate of Determinations with respect to the Bonds, dated the date of the Bond Purchase Agreement, the form of which is attached hereto as EXHIBIT A and approved hereby (the "Certificate of Determinations"); and shall be substantially in the form set forth in the Ordinance,

provided however, that the specific terms of the Series 2014 C Bonds shall be as determined by the Mayor at the time of the execution of the Bond Purchase Agreement and as approved by the Mayor in the Certificate of Determinations. All other provisions relating to the Series 2014 C Bonds shall be as provided in the Ordinance.

SECTION 5. Pursuant to the Ordinance and the Act, this Supplemental Parameters Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2014 D Bonds. The Series 2014 D Bonds shall be issued in the aggregate principal amount not to exceed $1,800,000, bear interest at a rate not to exceed 7.25%, payable semiannually as determined by the Certificate of Determinations and shall mature no later than December 1, 2028; shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor pursuant to the execution and delivery by the Mayor of a Certificate of Determinations with respect to the Bonds, dated the date of the Bond Purchase Agreement, the form of which is attached hereto as EXHIBIT A and approved hereby; and shall be substantially in the form set forth in the Ordinance, provided however, that the specific terms of the Series 2014 D Bonds shall be as determined by the Mayor at the time of the execution of the Bond Purchase Agreement and as approved by the Mayor in the Certificate of Determinations. All other provisions relating to the Series 2014 D Bonds shall be as provided in the Ordinance.

SECTION 6. Pursuant to the Ordinance and the Act, this Supplemental Parameters Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2014 E Bonds. The Series 2014 E Bonds shall be issued in the aggregate principal amount not to exceed $1,800,000, bear interest at a rate not to exceed 5.5%, payable semiannually as determined by the Certificate of Determinations and shall mature mo later than December 1, 2026; shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor pursuant to the execution and delivery by the Mayor of a Certificate of Determinations with respect to the Bonds, dated the date of the Bond Purchase Agreement, the form of which is attached hereto as EXHIBIT A and approved hereby; and shall be substantially in the form set forth in the Ordinance, provided however, that the specific terms of the Series 2014 E Bonds shall be as determined by the Mayor at the time of the execution of the Bond Purchase Agreement and as approved by the Mayor in the Certificate of Determinations. All other provisions relating to the Series 2014 E Bonds shall be as provided in the Ordinance.

SECTION 7. The Bond Purchase Agreement by and between the Original Purchaser and the Issuer, substantially in the form to be approved pursuant to the execution and delivery by the Mayor of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor thereof shall be and the same are hereby authorized, approved, and directed. The Mayor shall execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by the Mayor. The execution of the Bond Purchase Agreement by the Mayor shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Bonds, including the payment of all necessary fees and expenses in connection therewith.

SECTION 8. Proceeds of the Bonds shall be expended solely for the purposes set forth in the Ordinance.

SECTION 9. The Issuer is advised and hereby finds that based upon the assumed principal amount, maturity schedule and interest rates for the Series 2014 C Bonds presented to the Issuer by the Original Purchaser, the Series 2014 C Bonds show a net present value debt service savings to the Issuer after deducting all expenses of the refunding of the Series 2003 A Bonds and the costs of issuing the Series 2014 C Bonds.

SECTION 10. The Issuer is advised and hereby finds that based upon the assumed principal amount, maturity schedule and interest rates for the Series 2014 D Bonds presented to the Issuer by the Original Purchaser, the Series 2014 D Bonds show a net present value debt service savings to the Issuer after deducting all expenses of the refunding of the Series 2006 A Bonds and the costs of issuing the Series 2014 D Bonds.

SECTION 11. The Issuer is advised and hereby finds that based upon the assumed principal amount, maturity schedule and interest rates for the Series 2014 E Bonds presented to the Issuer by the Original Purchaser, the Series 2014 E Bonds show a net present value debt service savings to the Issuer after deducting all expenses of the refunding of the Series 2006 B Bonds and the costs of issuing the Series 2014 E Bonds.

SECTION 12. A. The Tax and Non-Arbitrage Certificate, to be dated the date of execution and delivery of the Bonds (the "Tax Certificate"), and executed and delivered by the Issuer, substantially in the form to be approved pursuant to the execution and delivery by the Mayor of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor thereof shall be and the same are hereby authorized, approved and directed. The Mayor shall execute and deliver the Tax Certificate with such changes, insertions and omissions as may be approved by the Mayor. The execution of the Tax Certificate by the Mayor shall be conclusive evidence of any approval required by this Section.

B. The Issuer hereby approves the Tax Compliance policy attached hereto as Exhibit B.

SECTION 13. A. The Continuing Disclosure Agreement, to be dated the date of execution and delivery of the Bonds (the "Disclosure Agreement"), by and between the Issuer and the Dissemination Agent named therein, substantially in the form to be approved pursuant to the execution and delivery by the Mayor of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor thereof shall be and the same are hereby authorized, approved and directed. The Mayor shall execute and deliver the Disclosure Agreement with such changes, insertions and omissions as may be approved by the Mayor. The execution of the Disclosure Agreement by the Mayor shall be conclusive evidence of any approval required by this Section.

B. The Issuer hereby approves the Continuing Disclosure Policy attached hereto as Exhibit C.

SECTION 14. The distribution by the Original Purchaser of a Preliminary Official Statement (which is a "deemed final" official statement in accordance with SEC Rule 15c2-12), substantially in the form submitted to this meeting is hereby ratified and approved. The certificate of the Issuer relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Mayor is hereby approved. The Official Statement to be substantially in the form of the Preliminary Official Statement, (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Mayor) and the distribution of counterparts or copies thereof by the Original Purchaser are hereby approved. The Mayor shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved. The execution of the Official Statement by the Mayor shall be conclusive evidence of any approval required by this Section.

SECTION 15. The Registrar Agreement by and between the Issuer and the Registrar designated herein, substantially in the form to be approved pursuant to the execution and delivery by the Mayor of the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor thereof shall be and the same are hereby authorized, approved and directed. The Mayor shall

execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be approved by the Mayor. The execution of the Registrar Agreement by the Mayor shall be conclusive evidence of any approval required by this Section.

SECTION 16. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Bonds.

SECTION 17. The Issuer hereby appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia, as the Paying Agent for the Series 2014 Bonds.

SECTION 18. The Issuer hereby appoints and designates United Bank, Inc., Charles Town, West Virginia, as the Depository Bank for the Bonds.

SECTION 19. The Issuer hereby appoints and designates United Bank, Inc., Charleston, West Virginia, as the Registrar.

SECTION 20. The Mayor and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates, required or desirable in connection with the Bonds to the end that the Bonds may be delivered on a timely basis to the Original Purchaser pursuant to the Bond Purchase Agreement.

SECTION 21. The notice addresses for the Depository Bank, Paying Agent, Registrar and Original Purchaser shall be as follows:

DEPOSITORY BANK
United Bank, Inc.
106 W. Washington Street
Charles Town, West Virginia 25414
ATTN: Branch Manager

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

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

ORIGINAL PURCHASER
Crews & Associates, Inc.
300 Summers Street, Suite 930
Charleston, West Virginia 25301-1631

SECTION 22. The issuance of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

SECTION 23. The Issuer hereby covenants and agrees that it will not permit at any time or times any of the proceeds of the Series 2014 Bonds or any other funds of the Issuer to be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any of the Series 2014 Bonds to be an "arbitrage bond" as defined in Section 148 of the Code, and the regulations promulgated pursuant thereto. The Mayor of the Issuer is authorized and directed to execute and deliver such further instruments or agreements as shall be required to provide further assurances of the Issuer's compliance with this covenant.

SECTION 24. The Mayor and City Clerk, and all other appropriate officers and employees of the Issuer are hereby authorized, empowered and directed to do any and all things proper and necessary to cause the Series 2014 Bonds to be duly and properly issued by the Issuer and delivered to the Original Purchaser as herein authorized and to otherwise facilitate the transaction contemplated by this Supplemental Parameters Resolution, and no further authority shall be necessary to authorize any such officers or employees to give such further assurance and do such further acts as may be legally required.

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SECTION 25. This Supplemental Parameters Resolution shall be effective immediately following adoption hereof.

Adopted this 2nd day of June, 2014.

CITY OF CHARLES TOWN

By: _____
Its: Mayor

[SEAL]

Attest:

_____
City Clerk

CERTIFICATION

Certified a true copy of a Supplemental Parameters Resolution duly adopted by the Council of the CITY OF CHARLES TOWN on June 2, 2014, which Supplemental Parameters Resolution has not been repealed, rescinded, modified, amended or revoked, as of the date hereof.

Dated: October 31, 2014.

By: _____
City Clerk

144220.00029

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

City of Charles Town
Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT);
Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable); and
Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)

CERTIFICATE OF DETERMINATIONS

The undersigned, Peggy Smith, Mayor of the City of Charles Town (the "Issuer"), in accordance with the Supplemental Parameters Resolution adopted by the Governing Body of the Issuer on June 2, 2014 (the "Supplemental Parameters Resolution"), with respect to the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT) (the "Series 2014 C Bonds"); Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable) (the "Series 2014 D Bonds"); and Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified) (the "Series 2014 E Bonds"), hereby finds and determines as follows:

1. The Series 2014 C Bonds shall be dated _____, 2014 shall bear interest on _____ _____ 1 and _____ 1 of each year commencing _____, 2014.

2. The Series 2014 C Bonds shall be issued in the aggregate principal amount of $_____. The interest rates on the Series 2014 C Bonds do not exceed 6.0%, being the maximum interest rate authorized by the Supplemental Parameters Resolution. The Net Present Value of the savings realized from such refunding is _____%.

3. The Series 2014 C Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. The Series 2014 C Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

5. The Series 2014 C Bonds shall [not] be subject to [optional and/or mandatory] redemption [as set forth on Schedule 2 attached hereto and incorporated herein.]

6. The Series 2014 C Bonds shall be sold to Crews & Associates, Inc. (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, at an aggregate purchase price of $_____ (representing par value less an Underwriter's discount of $_____ and a net original issue discount[premium] of $_____).

7. The Series 2014 D Bonds shall be dated _____, 2014 shall bear interest on _____ _____ 1 and _____ 1 of each year commencing _____, 2014.

8. The Series 2014 D Bonds shall be issued in the aggregate principal amount of $_____. The interest rates on the Series 2014 D Bonds do not exceed 7.25%, being the maximum interest rate authorized by the Supplemental Parameters Resolution. The Net Present Value of the savings realized from such refunding is _____%.

9. The Series 2014 D Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

10. The Series 2014 D Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

11. The Series 2014 D Bonds shall [not] be subject to [optional and/or mandatory] redemption [as set forth on Schedule 2 attached hereto and incorporated herein.]

12. The Series 2014 D Bonds shall be sold to Crews & Associates, Inc., pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, at an aggregate purchase price of $_____ (representing par value less an Underwriter's discount of $_____ and a net original issue discount[premium] of $_____).

13. The Series 2014 E Bonds shall be dated _____, 2014 shall bear interest on _____ _____ 1 and _____ 1 of each year commencing _____, 2014.

14. The Series 2014 E Bonds shall be issued in the aggregate principal amount of $_____. The interest rates on the Series 2014 E Bonds do not exceed 5.5%, being the maximum interest rate authorized by the Supplemental Parameters Resolution. The Net Present Value of the savings realized from such refunding is _____%.

15. The Series 2014 E Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

16. The Series 2014 E Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

17. The Series 2014 E Bonds shall [not] be subject to [optional and/or mandatory] redemption [as set forth on Schedule 2 attached hereto and incorporated herein.]

18. The Series 2014 E Bonds shall be sold to Crews & Associates, Inc., pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, at an aggregate purchase price of $_____ (representing par value less an Underwriter's discount of $_____ and a net original issue discount[premium] of $_____).

19. The forms of the Bond Purchase Agreement, the Tax Certificate, the Continuing Disclosure Agreement, the Official Statement, the Rule 15c2-12 Certificate and the Registrar Agreement attached hereto are hereby approved.

The undersigned hereby certifies that the foregoing terms and conditions of the Series 2014 C Bonds, the Series 2014 D Bonds and the Series 2014 E Bonds are within the parameters prescribed by the Supplemental Parameters Resolution, and the Series 2014 C Bonds, the Series 2014 D Bonds and the Series 2014 E Bonds may be issued with such terms and conditions as authorized by the Supplemental Parameters Resolution.

WITNESS my signature this _____ day of _____, 2014.

CITY OF CHARLES TOWN

By: _____
Its: Mayor

SCHEDULE 1

SERIES 2014 C BOND TERMS

Bond No.	Maturity Date (__ 1)	Principal Amount	Interest Rate	Price or Yield

SERIES 2014 D BOND TERMS

Bond No.	Maturity Date (__ 1)	Principal Amount	Interest Rate	Price or Yield

SERIES 2014 E BOND TERMS

Bond No.	Maturity Date (__ 1)	Principal Amount	Interest Rate	Price or Yield

SCHEDULE 2

REDEMPTION PROVISIONS:

SERIES 2014 C BONDS

[to be inserted after pricing]

SERIES 2014 D BONDS

[to be inserted after pricing]

SERIES 2014 E BONDS

[to be inserted after pricing]

EXHIBIT B
TAX COMPLIANCE POLICY

CITY OF CHARLES TOWN (WEST VIRGINIA)

Purpose

Governmental issuers of tax-exempt and tax-credit bonds must comply with certain federal tax rules pertaining to expenditure of proceeds for qualified costs, rate of expenditure, use of bond financed property, investment of proceeds in compliance with arbitrage rules, and retention of records. The following policies are intended to establish compliance by the City of Charles Town, West Virginia (the *"Issuer"*), as the issuer, with these rules in connection with the issuance of the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT) and Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified) (the "*Tax-Exempt Bonds*"). It is understood and agreed by the Issuer, and the Issuer has covenanted to take all actions necessary to maintain the Tax-Exempt Bonds as tax-exempt state and local bonds.

Tax Requirements Associated with Sale and Issuance of Bonds

Review and retention of tax documents related to the sale and issuance of Bonds will be supervised by the City Manager or his designee (the "*Oversight Officer*").

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

Expenditure of Proceeds for Governmental Costs

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

- Bond proceeds will be disbursed pursuant to the Bond Ordinance, and will be a written order of an Authorized Officer, stating the date, amount and purpose of the disbursement.

- Requisitions must identify the financed property in conformity with the Tax and Non-Arbitrage Certificate executed by the Issuer at closing, including any certifications as to the character and average economic life of the bond-financed property.

- Requisitions for costs that were paid prior to the issuance of the bonds are, in general, limited to costs paid subsequent to, or not more than 60 days prior to, the date a "declaration of intent" to reimburse the costs was adopted by the City. If proceeds are used for reimbursement, a copy of the declaration will be obtained and included in the records for the Tax-Exempt Bonds, if not already part of the bond transcript.

- Requisitions will be in accordance with expectations to spend or commit 5% of net sale proceeds within 6 months, to spend 85% of net sale proceeds within 3 years, and to proceed with due diligence to complete the project and fully spend the net sale proceeds. Expected expenditure schedules, project timelines, and plans and specifications will be maintained to support expectations. Reasons for failure to meet the expected schedule will be documented and retained in the records for the Tax-Exempt Bonds.

- If the 18-month spending exception to rebate applies, expenditure of gross proceeds will be monitored against the following schedule for the arbitrage rebate exception for the issue, if applicable:

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

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

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

Expenditure of Proceeds

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

- Reserve funds cannot exceed the least of 10% of bond proceeds, maximum annual debt service, or 125% of average annual debt service. The initial funding of any reserve fund will be measured against this limit.

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

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

Use of Bond-Financed Property

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

- Average nonexempt use of bond-financed property over the life of the issue cannot exceed 10% of the proceeds.

- Agreements with business users or non-profit organizations for lease or management or services contracts, sponsored research, naming rights or any other potential nonexempt use of bond-financed property will be reviewed prior to execution of any contract to determine if property subject to the Bond Ordinance is bond-financed.

- Agreements with business users or other non-profit organizations for lease or management or services contracts or other private business use involving bond-financed property will be tracked and aggregated with other private business uses for compliance with the 10% limit, as set forth in the Tax and Non-Arbitrage Certificate.

- No item of bond-financed property will be sold or transferred to a nonexempt party without advance arrangement of a "remedial action" under the applicable Income Tax Regulations.

Investments and IRS Filings

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

- Guaranteed investment contracts ("*GIC*") will be purchased only using the three-bid "safe harbor" of applicable Income Tax Regulations, in compliance with fee limitations on GIC brokers in the Income Tax Regulations.

- Other investments will be purchased only in market transactions.

- Calculations of rebate liability will be performed annually by outside consultants.

- Rebate payments will be made with Form 8038-T no later than 60 days after (a) each fifth anniversary of the date of issuance and (b) the final retirement of the issue. Compliance with rebate requirements will be reported to the bond trustee and the issuer.

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

Records

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

- Records will be retained for the life of the bonds plus any refunding bonds plus three years. Records may be in the form of documents or electronic copies of documents, appropriately indexed to specific bond issues and compliance functions.

- Retainable records pertaining to the Tax-Exempt Bonds include transcript of documents executed in connection with the issuance of the bonds (including authorizing resolutions, Bond Ordinance, Form 8038-G, and Tax and Non-Arbitrage Certificate) and any amendments, and copies of rebate calculations and records of payments, including Forms 8038-T.

- Retainable records pertaining to expenditures of bond proceeds include requisitions, accounting statements and final allocation of proceeds.

- Retainable records pertaining to use of property include all agreements reviewed for nonexempt use and any reviewed documents relating to unrelated business activity.

- Retainable records pertaining to investments include GIC documents under the Income Tax Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

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Overall Responsibility

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

CITY OF CHARLES TOWN, WEST VIRGINIA

_____

By: Mayor
Date:

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. CR-1 $135,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 C (AMT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
2.500%	12/01/2018	10/31/2014	160028 CV6

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED THIRTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each November 15 and May 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $820,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2003 A Bonds, (ii) to fund the Series 2014 C Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 C Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 C Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 C Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 C Bonds maturing on and after December 1, 2020, are subject to redemption at the option of the City, prior to maturity, on or after December 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 C Bonds maturing December 1, 2018, December 1, 2023, December 1, 2028 and December 1, 2032, are subject to annual mandatory redemption prior to maturity by random selection on December 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2018

Year (December 1)	Principal Amount
2015	$30,000
2016	$35,000
2017	$35,000
2018*	$35,000

* Final Maturity

Bonds Maturing 2023

Year (December 1)	Principal Amount
2019	$40,000
2020	$40,000
2021	$40,000
2022	$45,000
2023*	$45,000

* Final Maturity

Bonds Maturing 2028

Year (December 1)	Principal Amount
2024	$40,000
2025	$45,000
2026	$45,000
2027	$50,000
2028*	$55,000

* Final Maturity

Bonds Maturing 2032

Year (December 1)	Principal Amount
2029	$55,000
2030	$60,000
2031	$60,000
2032*	$65,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 C Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 C Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 C Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 C BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

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10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13,

2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014,

ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E (BANK-QUALIFIED), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,425,000 (THE "SERIES 2014 E BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 D Bonds and Series 2014 E Bonds and from moneys in the Series 2014 C Bonds Sinking Fund and the Series 2014 C Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Series 2014 C Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 C Bonds Sinking Fund and the Series 2014 C Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 2014 C Bonds, including the Prior Bonds, Series 2014 D Bonds and Series 2014 E Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2003 A Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014

UNITED BANK, INC.,
as Registrar

SPECIMEN

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. CR-2 $210,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 C (AMT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.500%	12/01/2023	10/31/2014	160028 CW4

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED TEN THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each November 15 and May 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $820,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2003 A Bonds, (ii) to fund the Series 2014 C Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 C Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 C Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 C Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 C Bonds maturing on and after December 1, 2020, are subject to redemption at the option of the City, prior to maturity, on or after December 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 C Bonds maturing December 1, 2018, December 1, 2023, December 1, 2028 and December 1, 2032, are subject to annual mandatory redemption prior to maturity by random selection on December 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2018

Year (December 1)	Principal Amount
2015	$30,000
2016	$35,000
2017	$35,000
2018*	$35,000

* Final Maturity

Bonds Maturing 2023

Year (December 1)	Principal Amount
2019	$40,000
2020	$40,000
2021	$40,000
2022	$45,000
2023*	$45,000

* Final Maturity

Bonds Maturing 2028

Year (December 1)	Principal Amount
2024	$40,000
2025	$45,000
2026	$45,000
2027	$50,000
2028*	$55,000

* Final Maturity

Bonds Maturing 2032

Year (December 1)	Principal Amount
2029	$55,000
2030	$60,000
2031	$60,000
2032*	$65,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 C Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 C Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 C Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 C BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. CR-3 $235,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 C (AMT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.250%	12/01/2028	10/31/2014	160028 CX2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED THIRTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each November 15 and May 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $820,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2003 A Bonds, (ii) to fund the Series 2014 C Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 C Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 C Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 C Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 C Bonds maturing on and after December 1, 2020, are subject to redemption at the option of the City, prior to maturity, on or after December 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 C Bonds maturing December 1, 2018, December 1, 2023, December 1, 2028 and December 1, 2032, are subject to annual mandatory redemption prior to maturity by random selection on December 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2018

Year (December 1)	Principal Amount
2015	$30,000
2016	$35,000
2017	$35,000
2018*	$35,000

* Final Maturity

Bonds Maturing 2023

Year (December 1)	Principal Amount
2019	$40,000
2020	$40,000
2021	$40,000
2022	$45,000
2023*	$45,000

* Final Maturity

Bonds Maturing 2028

Year (December 1)	Principal Amount
2024	$40,000
2025	$45,000
2026	$45,000
2027	$50,000
2028*	$55,000

* Final Maturity

Bonds Maturing 2032

Year (December 1)	Principal Amount
2029	$55,000
2030	$60,000
2031	$60,000
2032*	$65,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 C Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 C Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 C Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 C BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13,

2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014,

ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E (BANK-QUALIFIED), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,425,000 (THE "SERIES 2014 E BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 D Bonds and Series 2014 E Bonds and from moneys in the Series 2014 C Bonds Sinking Fund and the Series 2014 C Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Series 2014 C Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 C Bonds Sinking Fund and the Series 2014 C Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 2014 C Bonds, including the Prior Bonds, Series 2014 D Bonds and Series 2014 E Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2003 A Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014

UNITED BANK, INC.,
as Registrar

SPECIMEN

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. CR-4 $240,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 C (AMT)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.750%	12/01/2032	10/31/2014	160028 CY0

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED FORTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each November 15 and May 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $820,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2003 A Bonds, (ii) to fund the Series 2014 C Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 C Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 C Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 C Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 C Bonds maturing on and after December 1, 2020, are subject to redemption at the option of the City, prior to maturity, on or after December 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 C Bonds maturing December 1, 2018, December 1, 2023, December 1, 2028 and December 1, 2032, are subject to annual mandatory redemption prior to maturity by random selection on December 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2018

Year (December 1)	Principal Amount
2015	$30,000
2016	$35,000
2017	$35,000
2018*	$35,000

* Final Maturity

Bonds Maturing 2023

Year (December 1)	Principal Amount
2019	$40,000
2020	$40,000
2021	$40,000
2022	$45,000
2023*	$45,000

* Final Maturity

Bonds Maturing 2028

Year (December 1)	Principal Amount
2024	$40,000
2025	$45,000
2026	$45,000
2027	$50,000
2028*	$55,000

* Final Maturity

Bonds Maturing 2032

Year (December 1)	Principal Amount
2029	$55,000
2030	$60,000
2031	$60,000
2032*	$65,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 C Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 C Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 C Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 C BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13,

2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014,

ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E (BANK-QUALIFIED), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,425,000 (THE "SERIES 2014 E BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 D Bonds and Series 2014 E Bonds and from moneys in the Series 2014 C Bonds Sinking Fund and the Series 2014 C Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Series 2014 C Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 C Bonds Sinking Fund and the Series 2014 C Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 2014 C Bonds, including the Prior Bonds, Series 2014 D Bonds and Series 2014 E Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2003 A Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

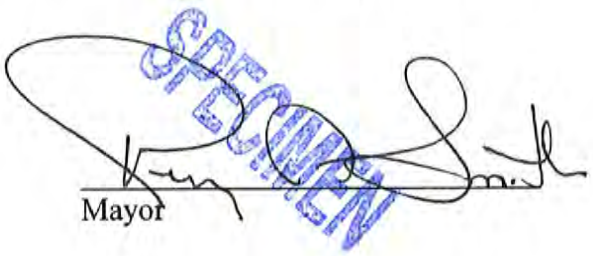
This Bond is, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014

UNITED BANK, INC.,
as Registrar

SPECIMEN

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. DR-1 $310,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 D (TAXABLE)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.000%	06/01/2018	10/31/2014	160028 CZ7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE HUNDRED TEN THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., CharlestonWest Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,445,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 A Bonds, (ii) to fund the Series 2014 D Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 D Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 D Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 D Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 D Bonds maturing on and after June 1, 2020, are subject to redemption at the option of the City, prior to maturity, on or after December 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 D Bonds maturing June 1, 2018, June 1, 2020, June 1, 2023, June 1, 2025 and June 1, 2028, are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2018

Year (June 1)	Principal Amount
2015	$50,000
2016	$85,000
2017	$85,000
2018*	$90,000

* Final Maturity

Bonds Maturing 2020

Year (June 1)	Principal Amount
2019	$95,000
2020*	$95,000

* Final Maturity

Bonds Maturing 2023

Year (June 1)	Principal Amount
2021	$100,000
2022	$105,000
2023*	$110,000

* Final Maturity

Bonds Maturing 2025

Year (June 1)	Principal Amount
2024	$115,000
2025*	$120,000

* Final Maturity

Year (June 1)	Principal Amount
2026	$125,000
2027	$130,000
2028*	$140,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 D Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 D Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 D Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 D BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

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4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

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18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

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20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E (BANK-QUALIFIED), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,425,000 (THE "SERIES 2014 E BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 E Bonds and from moneys in the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 E Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 A Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and

there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

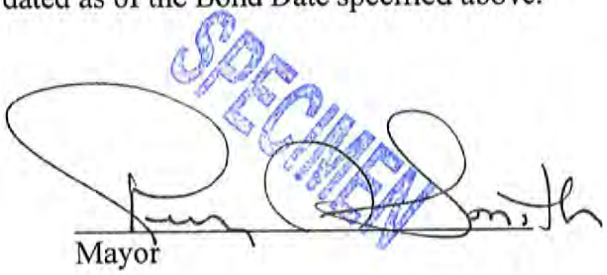
This Bond is, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. DR-2 $190,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 D (TAXABLE)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.000%	06/01/2020	10/31/2014	160028 DA1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED NINETY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., CharlestonWest Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,445,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 A Bonds, (ii) to fund the Series 2014 D Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 D Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 D Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 D Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 D Bonds maturing on and after June 1, 2020, are subject to redemption at the option of the City, prior to maturity, on or after December 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 D Bonds maturing June 1, 2018, June 1, 2020, June 1, 2023, June 1, 2025 and June 1, 2028, are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2018

Year (June 1)	Principal Amount
2015	$50,000
2016	$85,000
2017	$85,000
2018*	$90,000

* Final Maturity

Bonds Maturing 2020

Year (June 1)	Principal Amount
2019	$95,000
2020*	$95,000

* Final Maturity

Bonds Maturing 2023

Year (June 1)	Principal Amount
2021	$100,000
2022	$105,000
2023*	$110,000

* Final Maturity

Bonds Maturing 2025

Year (June 1)	Principal Amount
2024	$115,000
2025*	$120,000

* Final Maturity

Year (June 1)	Principal Amount
2026	$125,000
2027	$130,000
2028*	$140,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 D Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 D Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 D Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 D BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E (BANK-QUALIFIED), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,425,000 (THE "SERIES 2014 E BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 E Bonds and from moneys in the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 E Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 A Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and

there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

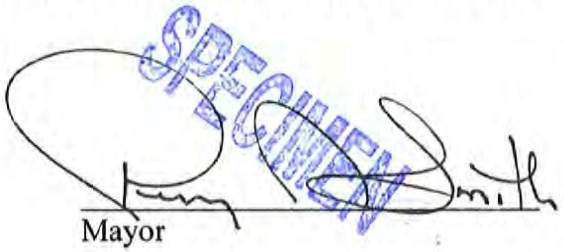
This Bond is, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

SPECIMEN

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. DR-3 $315,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 D (TAXABLE)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.500%	06/01/2023	10/31/2014	160028 DB9

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE HUNDRED FIFTEEN THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., CharlestonWest Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,445,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 A Bonds, (ii) to fund the Series 2014 D Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 D Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 D Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 D Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 D Bonds maturing on and after June 1, 2020, are subject to redemption at the option of the City, prior to maturity, on or after December 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 D Bonds maturing June 1, 2018, June 1, 2020, June 1, 2023, June 1, 2025 and June 1, 2028, are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2018

Year (June 1)	Principal Amount
2015	$50,000
2016	$85,000
2017	$85,000
2018*	$90,000

* Final Maturity

Bonds Maturing 2020

Year (June 1)	Principal Amount
2019	$95,000
2020*	$95,000

* Final Maturity

Bonds Maturing 2023

Year (June 1)	Principal Amount
2021	$100,000
2022	$105,000
2023*	$110,000

* Final Maturity

Bonds Maturing 2025

Year (June 1)	Principal Amount
2024	$115,000
2025*	$120,000

* Final Maturity

Year (June 1)	Principal Amount
2026	$125,000
2027	$130,000
2028*	$140,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 D Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 D Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 D Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 D BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E (BANK-QUALIFIED), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,425,000 (THE "SERIES 2014 E BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 E Bonds and from moneys in the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 E Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 A Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and

there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. DR-4 $235,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 D (TAXABLE)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.750%	06/01/2025	10/31/2014	160028 DC7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED THIRTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., CharlestonWest Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,445,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 A Bonds, (ii) to fund the Series 2014 D Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 D Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 D Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 D Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 D Bonds maturing on and after June 1, 2020, are subject to redemption at the option of the City, prior to maturity, on or after December 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 D Bonds maturing June 1, 2018, June 1, 2020, June 1, 2023, June 1, 2025 and June 1, 2028, are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2018

Year (June 1)	Principal Amount
2015	$50,000
2016	$85,000
2017	$85,000
2018*	$90,000

* Final Maturity

Bonds Maturing 2020

Year (June 1)	Principal Amount
2019	$95,000
2020*	$95,000

* Final Maturity

Bonds Maturing 2023

Year (June 1)	Principal Amount
2021	$100,000
2022	$105,000
2023*	$110,000

* Final Maturity

Bonds Maturing 2025

Year (June 1)	Principal Amount
2024	$115,000
2025*	$120,000

* Final Maturity

Year (June 1)	Principal Amount
2026	$125,000
2027	$130,000
2028*	$140,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 D Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 D Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 D Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 D BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

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10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

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21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 E (BANK-QUALIFIED), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,425,000 (THE "SERIES 2014 E BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 E Bonds and from moneys in the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 E Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 A Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and

there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. DR-5 $395,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 D (TAXABLE)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
5.000%	06/01/2028	10/31/2014	160028 DD5

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE HUNDRED NINETY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., CharlestonWest Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,445,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 A Bonds, (ii) to fund the Series 2014 D Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 D Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 D Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 D Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 D Bonds maturing on and after June 1, 2020, are subject to redemption at the option of the City, prior to maturity, on or after December 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 D Bonds maturing June 1, 2018, June 1, 2020, June 1, 2023, June 1, 2025 and June 1, 2028, are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2018

Year (June 1)	Principal Amount
2015	$50,000
2016	$85,000
2017	$85,000
2018*	$90,000

* Final Maturity

Bonds Maturing 2020

Year (June 1)	Principal Amount
2019	$95,000
2020*	$95,000

* Final Maturity

Bonds Maturing 2023

Year (June 1)	Principal Amount
2021	$100,000
2022	$105,000
2023*	$110,000

* Final Maturity

Bonds Maturing 2025

Year (June 1)	Principal Amount
2024	$115,000
2025*	$120,000

* Final Maturity

Year (June 1)	Principal Amount
2026	$125,000
2027	$130,000
2028*	$140,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 D Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 D Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 D Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 D BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

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there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

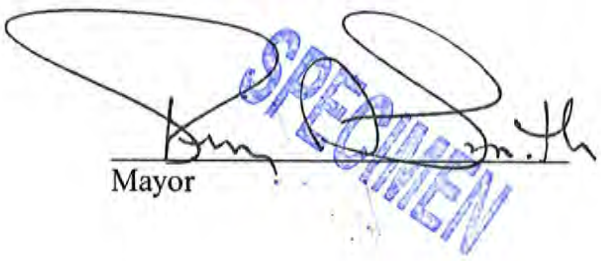
This Bond is, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-1 $160,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
1.500%	06/01/2016	10/31/2014	160028 DE3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED SIXTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,425,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 E Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 E Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
2016*	$110,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 E Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 E Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 E Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 E BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds and from moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed

to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 B Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

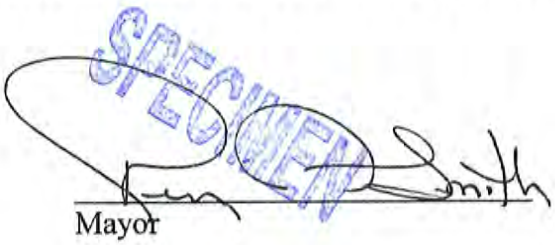
This Bond is, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

SPECIMEN

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

_____
_____

the within Bond and does hereby irrevocably constitute and appoint

_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-2 $110,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.000%	06/01/2017	10/31/2014	160028 DF0

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED TEN THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,425,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 E Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 E Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
2016*	$110,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 E Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 E Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 E Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 E BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

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3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

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6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

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14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

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22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds and from moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed

to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 B Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

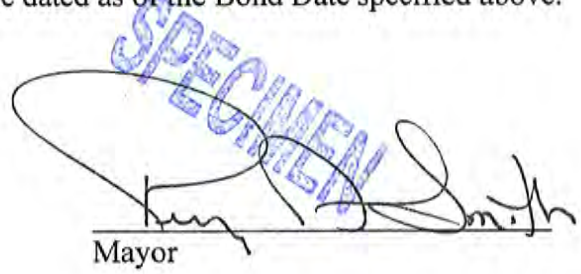
This Bond is, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

_____
_____

the within Bond and does hereby irrevocably constitute and appoint

_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-3 $115,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.000%	06/01/2018	10/31/2014	160028 DG8

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED FIFTEEN THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,425,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 E Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 E Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
2016*	$110,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 E Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 E Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 E Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 E BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

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21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds and from moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed

to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 B Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

_____
_____

the within Bond and does hereby irrevocably constitute and appoint

_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-4 $120,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.000%	06/01/2019	10/31/2014	160028 DH6

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED TWENTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,425,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 E Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 E Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
2016*	$110,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 E Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 E Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 E Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 E BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds and from moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed

to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 B Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

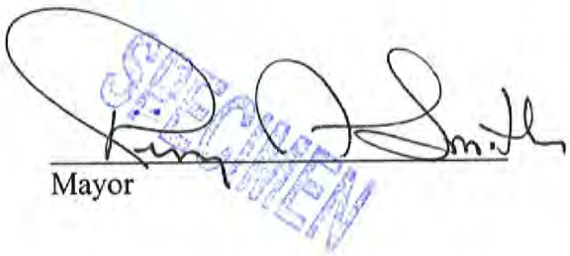
This Bond is, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

SPECIMEN

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

_____
_____

the within Bond and does hereby irrevocably constitute and appoint

_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-5 $120,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.000%	06/01/2020	10/31/2014	160028 DJ2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED TWENTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,425,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 E Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 E Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
2016*	$110,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 E Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 E Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 E Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 E BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds and from moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed

to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 B Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

SPECIMEN

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

_____
_____

the within Bond and does hereby irrevocably constitute and appoint

_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-6 $125,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.000%	06/01/2021	10/31/2014	160028 DK9

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,425,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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(B) Optional Redemption. The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
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* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 E Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 E Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 E Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

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12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds and from moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed

to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 B Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

_____
_____

the within Bond and does hereby irrevocably constitute and appoint

_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-7 $125,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.000%	06/01/2022	10/31/2014	160028 DL7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,425,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 E Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 E Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
2016*	$110,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 E Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 E Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 E Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 E BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

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18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds and from moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed

to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 B Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

_____
_____

the within Bond and does hereby irrevocably constitute and appoint

_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-8 $135,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.000%	06/01/2023	10/31/2014	160028 DM5

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED THIRTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,425,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 E Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 E Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
2016*	$110,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 E Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 E Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 E Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 E BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds and from moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed

to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 B Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

_____
_____

the within Bond and does hereby irrevocably constitute and appoint

_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-9 $135,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.300%	06/01/2024	10/31/2014	160028 DN3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED THIRTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,425,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 E Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 E Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
2016*	$110,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 E Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 E Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 E Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 E BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

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2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

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5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

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9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

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21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds and from moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed

to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 B Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

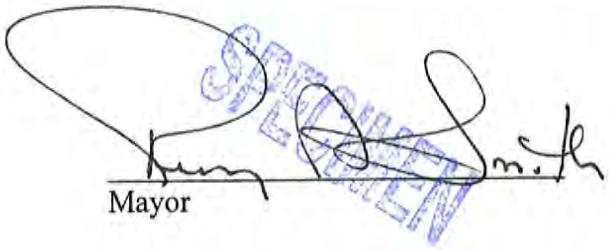
This Bond is, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

_____
_____

the within Bond and does hereby irrevocably constitute and appoint

_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-10 $135,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.300%	06/01/2025	10/31/2014	160028 DP8

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED THIRTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,425,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 E Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 E Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
2016*	$110,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 E Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 E Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 E Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 E BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

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THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

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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 have existed, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

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

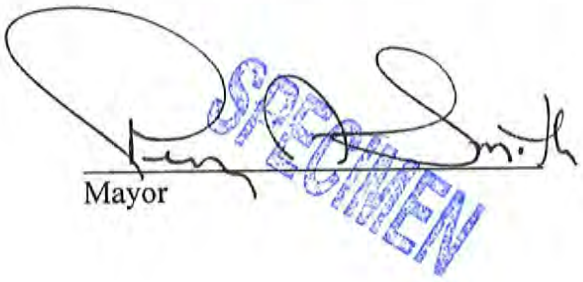
This Bond is, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

_____
_____

the within Bond and does hereby irrevocably constitute and appoint

_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. ER-11 $145,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 2014 E (BANK QUALIFIED)

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.400%	06/01/2026	10/31/2014	160028 DQ6

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF CHARLES TOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefore, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest

has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2015 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by United Bank, Inc., Charleston, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $1,425,000 designated "City of Charles Town (West Virginia) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified)" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated October 31, 2014, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2006 B Bonds, (ii) to fund the Series 2014 E Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2014 E Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on May 19, 2014, and supplemented by supplemental resolutions adopted by said Council on June 2, 2014, (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Charles Town, West Virginia.

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

(A) Extraordinary Redemption. The Series 2014 E Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 E Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

(B) Optional Redemption. The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

(C) Mandatory Sinking Fund Redemption. The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
2016*	$110,000

* Final Maturity

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

At any other time, notice to the Registered Owner and the Underwriter of any redemption shall be given by the Registrar at least 30 days and not more than 60 days prior to the date fixed for redemption by registered or certified mail to the address appearing in the Register or to such other address as is furnished in writing by such Registered Owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2014 E Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2014 E Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2014 E Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue.

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

THERE ARE OUTSTANDING OBLIGATIONS OF THE ISSUER WHICH WILL RANK ON A PARITY WITH THE SERIES 2014 E BONDS AS TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT, BEING THE ISSUER'S:

1. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1987 B, DATED NOVEMBER 18, 1987, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $413,629 (THE "SERIES 1987 B BONDS");

2. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-1, DATED MAY 4, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $295,916 (THE "SERIES 1988 B-1 BONDS");

3. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1988 B-2, DATED MAY 20, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $558,000 (THE "SERIES 1988 B-2 BONDS");

4. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1989 B, DATED APRIL 13, 1989, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $117,480 (THE "SERIES 1989 B BONDS");

5. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1998 (WEST VIRGINIA SRF PROGRAM), DATED SEPTEMBER 29, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $437,601 (THE "SERIES 1998 BONDS");

6. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 22, 2000, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,163,781 (THE "SERIES 2000 A BONDS");

7. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,100,000 (THE "SERIES 2002 A BONDS");

8. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED AUGUST 22, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $3,600,000 (THE "SERIES 2002 B BONDS");

9. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2002 C (INSURED), DATED DECEMBER 20, 2002, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,135,000 (THE "SERIES 2002 C BONDS");

10. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 A (TAX-EXEMPT), DATED DECEMBER 1, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $7,120,000 (THE "SERIES 2009 A BONDS");

11. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA DWTRF PROGRAM), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $912,458 (THE "SERIES 2010 A BONDS");

12. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA DWTRF PROGRAM/ARRA), DATED JANUARY 13, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $100,000 (THE "SERIES 2010 B BONDS");

13. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 C (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,250,000 (THE "SERIES 2010 C BONDS");

14. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2010 D (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 2, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $500,000 (THE "SERIES 2010 D BONDS");

15. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 A (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $13,147,192 (THE "SERIES 2011 A BONDS");

16. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011 B (WEST VIRGINIA SRF PROGRAM), DATED JULY 22, 2011, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,000,000 (THE "SERIES 2011 B BONDS").

17. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 18, 2012, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,500,000 (THE "SERIES 2012 A BONDS");

18. COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 27, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $591,977 (THE "SERIES 2013 A BONDS");

19. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 B (TAX-EXEMPT), DATED OCTOBER 1, 2013, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,970,000 (THE "SERIES 2013 B BONDS").

20. COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2014 A (WEST VIRGINIA SRF PROGRAM), DATED JUNE 18, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,058,900 (THE "SERIES 2014 A BONDS");

21. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 C (AMT), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $820,000 (THE "SERIES 2014 C BONDS"); AND

22. COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2014 D (TAXABLE), DATED OCTOBER 31, 2014, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,445,000 (THE "SERIES 2014 D BONDS").

THE SERIES 1987 B BONDS, SERIES 1988 B-1 BONDS, SERIES 1988 B-2 BONDS, SERIES 1989 B BONDS, SERIES 1998 BONDS, SERIES 2000 A BONDS, SERIES 2002 A BONDS, SERIES 2002 B BONDS, SERIES 2002 C BONDS, SERIES 2009 A BONDS, SERIES 2010 A BONDS, SERIES 2010 B BONDS, SERIES 2010 C BONDS, SERIES 2010 D BONDS, SERIES 2011 A BONDS, SERIES 2011 B BONDS, SERIES 2012 A BONDS, SERIES 2013 A BONDS, SERIES 2013 B BONDS AND SERIES 2014 A BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds and from moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed

to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds, Series 2014 C Bonds and Series 2014 D Bonds. 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 Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to finance the current refunding of the Issuer's outstanding Series 2006 B Bonds, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF CHARLES TOWN has caused this Bond to be signed by its Mayor , and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]



Mayor

ATTEST:



City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: October 31, 2014.

UNITED BANK, INC.,
as Registrar

By _____
Its Authorized Officer

SPECIMEN

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

_____
_____

the within Bond and does hereby irrevocably constitute and appoint

_____

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

Dated: _____, 20____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

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

Writer's Contact Information

October 31, 2014

City of Charles Town
Combined Waterworks and Sewerage System
Refunding Revenue Bonds, Series 2014 C (AMT)

City of Charles Town
Charles Town, West Virginia

Crews & Associates, Inc.
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by the City of Charles Town, West Virginia (the "Issuer") of its $820,000 aggregate principal amount of Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT) (the "Series 2014 C Bonds").

The Series 2014 C Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on May 19, 2014, as supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 2, 2014 (collectively, the "Ordinance"), and are subject to all the terms and conditions of the Ordinance. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Ordinance when used herein.

The Series 2014 C Bonds are issued in fully registered form, are dated October 31, 2014, upon original issuance, mature on December 1 in the years and amounts and bear interest payable each June 1 and December 1, commencing June 1, 2015, as set forth in the Ordinance.

The Series 2014 C Bonds maturing on or after December 1, 2020 shall be subject to optional redemption on or after December 1, 2019, at par plus accrued interest thereon to the date set for redemption.

The Ordinance provides that the Series 2014 C Bonds are issued for the purpose of currently refunding the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2003 A (AMT - Uninsured) (the "Series 2003 A Bonds"), funding a debt service reserve account for the Series 2014 C Bonds and paying costs of issuance of the Series 2014 C Bonds and related costs.

The Series 2014 C Bonds have been sold to Crews & Associates, Inc. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement dated October 23, 2014, and accepted by the Issuer (the "Bond Purchase Agreement").

As to questions of fact material to our opinion, we have relied upon representations of the Issuer, the Original Purchaser and other entities contained in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and in the certified proceedings and other certifications of certain officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, and assuming compliance with the covenants and representations of the Issuer and others set forth in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and such certifications, we are of the opinion, under existing law, that:

1. The Issuer is a duly organized and validly existing municipal corporation under and pursuant to the laws of the State of West Virginia, with full power and authority to adopt and enact the Ordinance, enter into a Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and Tax Certificate, perform its obligations under the terms and provisions thereof and to issue and sell the Series 2014 C Bonds, all under the provisions of the Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively adopted and enacted the Ordinance, has authorized, executed and delivered the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate, has authorized the distribution of the Official Statement in connection with the marketing and sale of the Series 2014 C Bonds, and has issued and delivered the Series 2014 C Bonds to the Original Purchaser pursuant to the Bond Purchase Agreement. The Ordinance is in full force and effect as of the date hereof.

3. Assuming due authorization, execution and delivery by the other parties thereto, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Certificate constitute valid, legal, binding and enforceable instruments of the Issuer in accordance with their respective terms.

4. The Series 2014 C Bonds have been duly authorized, executed and delivered by the Issuer and, assuming proper authentication, constitute valid and legally enforceable limited obligations of the Issuer, payable from, and secured by a lien on, the Gross Revenues of the System, on a parity with the Issuer's outstanding:

(1) Combined Waterworks and Sewerage System Revenue Bonds, Series 1987 B, dated November 18, 1987, issued in the original aggregate principal amount of $413,629 (the "Series 1987 B Bonds");

(2) Combined Waterworks and Sewerage System Revenue Bonds, Series 1988 B-1, dated May 4, 1988, issued in the original aggregate principal amount of $295,916 (the "Series 1988 B-1 Bonds");

(3) Combined Waterworks and Sewerage System Revenue Bonds, Series 1988 B-2, dated May 20, 1988, issued in the original aggregate principal amount of $558,000 (the "Series 1988 B-2 Bonds");

(4) Combined Waterworks and Sewerage System Revenue Bonds, Series 1989 B, dated April 13, 1989, issued in the original aggregate principal amount of $117,480 (the "Series 1989 B Bonds");

(5) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 1998 (West Virginia SRF Program), dated September 29, 1998, issued in the original aggregate principal amount of $437,601 (the "Series 1998 Bonds");

(6) Combined Waterworks and Sewerage System Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated June 22, 2000, issued in the original aggregate principal amount of $3,163,781 (the "Series 2000 A Bonds");

(7) Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 A (West Virginia Water Development Authority), dated August 22, 2002, issued in the original aggregate principal amount of $1,100,000 (the "Series 2002 A Bonds");

(8) Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 B (West Virginia Infrastructure Fund), dated August 22, 2002, issued in the original aggregate principal amount of $3,600,000 (the "Series 2002 B Bonds");

(9) Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 C (Insured), dated December 20, 2002, issued in the original aggregate principal amount of $4,135,000 (the "Series 2002 C Bonds");

(10) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2009 A (Tax-Exempt), dated December 1, 2009, issued in the original aggregate principal amount of $7,120,000 (the "Series 2009 A Bonds");

(11) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 A (West Virginia DWTRF Program), dated January 13, 2010, issued in the original aggregate principal amount of $912,458 (the "Series 2010 A Bonds");

(12) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia DWTRF Program/ARRA), dated January 13, 2010, issued in the original aggregate principal amount of $100,000 (the "Series 2010 B Bonds");

(13) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2010 C (West Virginia SRF Program), dated December 2, 2010, issued in the original aggregate principal amount of $1,250,000 (the "Series 2010 C Bonds");

(14) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2010 D (West Virginia SRF Program), dated December 2, 2010, issued in the original aggregate principal amount of $500,000 (the "Series 2010 D Bonds");

(15) Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 A (West Virginia SRF Program), dated July 22, 2011, issued in the original aggregate principal amount of $13,147,192 (the "Series 2011 A Bonds");

(16) Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 B (West Virginia SRF Program), dated July 22, 2011, issued in the original aggregate principal amount of $2,000,000 (the "Series 2011 B Bonds");

(17) Combined Waterworks and Sewerage System Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated December 18, 2012, issued in the original aggregate principal amount of $1,500,000 (the "Series 2012 A Bonds");

(18) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia SRF Program), dated June 27, 2013, issued in the original aggregate principal amount of $591,977 (the "Series 2013 A Bonds");

(19) Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 B (Tax-Exempt), dated October 1, 2013, issued in the original aggregate principal amount of $2,970,000 (the "Series 2013 B Bonds");

(20) Combined Waterworks and Sewerage System Revenue Bonds, Series 2014 A (West Virginia SRF Program), dated June 18, 2014, issued in the original aggregate principal amount of $4,058,000 (the "Series 2014 A Bonds");

(21) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable), dated October 31, 2014, issued simultaneously herewith in the original aggregate principal amount of $1,445,000 (the "Series 2014 D Bonds"); and

(22) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified), dated October 31, 2014, issued simultaneously herewith in the original aggregate principal amount of $1,425,000 (the "Series 2014 E Bonds").

The Series 2014 C Bonds are enforceable in accordance with their terms and the terms of the Ordinance, and are entitled to the benefits of the Ordinance and the Act.

5. The Series 2003 A Bonds have been paid within the meaning and with the effect expressed in the Ordinance, as supplemented, pursuant to which they were issued, and the covenants, agreements and other obligations of the Issuer to the holders and owners of the Series 2003 A Bonds have been satisfied and discharged.

6. Under existing laws, regulations, published rulings and judicial decisions of the United States of America as presently written and applied, the interest on the Series 2014 C Bonds (including original issue discount properly allocable to owners of the Series 2014 C Bonds) is excludable from gross income of the owners thereof for federal income tax purposes, except for any period during which a Series 2014 C Bond is held by a person who, within the meaning of the Internal Revenue Code of 1986, as amended and regulations thereunder (the "Code"), is a "substantial user" of facilities financed with Series 2014 C Bond proceeds or a "related person" thereto. Interest on the Series 2014 C Bonds is a specific item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations. Ownership of tax exempt obligations, including the Series 2014 C Bonds, may result in collateral federal income tax consequences to certain taxpayers, including without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. We offer no opinion as to such collateral tax consequences. Prospective purchasers of the Series 2014 C Bonds should consult their own tax advisors as to such consequences. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Series 2014 C Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Series 2014 C Bonds set forth in the Ordinance and the certificate relating to arbitrage. Failure to comply with such Code provisions or such certifications, covenants and representations could cause the interest on the Series 2014 C Bonds to be includable in gross income retroactive to the date of issuance of the Series 2014 C Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Series 2014 C Bonds.

7. Under the Act, the Series 2014 C Bonds and the interest thereon are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

8. The Series 2014 C Bonds are exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended, and the West Virginia Uniform Securities Act, as amended, and it is not necessary, in connection with the public offering and sale of the Series 2014 C Bonds, to register any securities under said Securities Acts.

It is to be understood that the rights of the holders of the Series 2014 C Bonds and the enforceability of the Series 2014 C Bonds, the Ordinance, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate, and the liens, pledges, rights or remedies with respect thereto, are subject to and may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally and that their enforcement may also be subject to the application of public policy, general principles of equity and the exercise of judicial discretion in appropriate cases.

We do not express any opinion as to the sufficiency or accuracy of the material, information or financial statements which are set forth in the official statement prepared and used in connection with the offering and sale of the Series 2014 C Bonds.

We have examined the executed and authenticated Series 2014 C Bonds of said issue, and in our opinion, said Series 2014 C Bonds are in proper form and have been duly executed and authenticated.

Very truly yours,



STEPTOE & JOHNSON PLLC

STEPTOE & JOHNSON PLLC
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Writer's Contact Information

October 31, 2014

City of Charles Town
Combined Waterworks and Sewerage System
Refunding Revenue Bonds, Series 2014 D (Taxable)

City of Charles Town
Charles Town, West Virginia

Crews & Associates, Inc.
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by the City of Charles Town, West Virginia (the "Issuer") of its $1,445,000 aggregate principal amount of Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable) (the "Series 2014 D Bonds").

The Series 2014 D Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on May 19, 2014, as supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 2, 2014 (collectively, the "Ordinance"), and are subject to all the terms and conditions of the Ordinance. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Ordinance when used herein.

The Series 2014 D Bonds are issued in fully registered form, are dated October 31, 2014, upon original issuance, mature on June 1 in the years and amounts and bear interest payable each June 1 and December 1, commencing June 1, 2015, as set forth in the Ordinance.

The Series 2014 D Bonds maturing on or after June 1, 2020 shall be subject to optional redemption on or after December 1, 2019, at par plus accrued interest thereon to the date set for redemption.

The Ordinance provides that the Series 2014 D Bonds are issued for the purpose of currently refunding the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A (Taxable) (the "Series 2006 A Bonds"), funding a debt service reserve account for the Series 2014 D Bonds and paying costs of issuance of the Series 2014 D Bonds and related costs.

The Series 2014 D Bonds have been sold to Crews & Associates, Inc. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement dated October 23, 2014, and accepted by the Issuer (the "Bond Purchase Agreement").

As to questions of fact material to our opinion, we have relied upon representations of the Issuer, the Original Purchaser and other entities contained in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and in the certified proceedings and other certifications of certain officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, and assuming compliance with the covenants and representations of the Issuer and others set forth in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and such certifications, we are of the opinion, under existing law, that:

1. The Issuer is a duly organized and validly existing municipal corporation under and pursuant to the laws of the State of West Virginia, with full power and authority to adopt and enact the Ordinance, enter into a Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and Tax Certificate, perform its obligations under the terms and provisions thereof and to issue and sell the Series 2014 D Bonds, all under the provisions of the Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively adopted and enacted the Ordinance, has authorized, executed and delivered the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate, has authorized the distribution of the Official Statement in connection with the marketing and sale of the Series 2014 D Bonds, and has issued and delivered the Series 2014 D Bonds to the Original Purchaser pursuant to the Bond Purchase Agreement. The Ordinance is in full force and effect as of the date hereof.

3. Assuming due authorization, execution and delivery by the other parties thereto, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Certificate constitute valid, legal, binding and enforceable instruments of the Issuer in accordance with their respective terms.

4. The Series 2014 D Bonds have been duly authorized, executed and delivered by the Issuer and, assuming proper authentication, constitute valid and legally enforceable limited obligations of the Issuer, payable from, and secured by a lien on, the Gross Revenues of the System, on a parity with the Issuer's outstanding:

(1) Combined Waterworks and Sewerage System Revenue Bonds, Series 1987 B, dated November 18, 1987, issued in the original aggregate principal amount of $413,629 (the "Series 1987 B Bonds");

(2) Combined Waterworks and Sewerage System Revenue Bonds, Series 1988 B-1, dated May 4, 1988, issued in the original aggregate principal amount of $295,916 (the "Series 1988 B-1 Bonds");

(3) Combined Waterworks and Sewerage System Revenue Bonds, Series 1988 B-2, dated May 20, 1988, issued in the original aggregate principal amount of $558,000 (the "Series 1988 B-2 Bonds");

(4) Combined Waterworks and Sewerage System Revenue Bonds, Series 1989 B, dated April 13, 1989, issued in the original aggregate principal amount of $117,480 (the "Series 1989 B Bonds");

(5) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 1998 (West Virginia SRF Program), dated September 29, 1998, issued in the original aggregate principal amount of $437,601 (the "Series 1998 Bonds");

(6) Combined Waterworks and Sewerage System Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated June 22, 2000, issued in the original aggregate principal amount of $3,163,781 (the "Series 2000 A Bonds");

(7) Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 A (West Virginia Water Development Authority), dated August 22, 2002, issued in the original aggregate principal amount of $1,100,000 (the "Series 2002 A Bonds");

(8) Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 B (West Virginia Infrastructure Fund), dated August 22, 2002, issued in the original aggregate principal amount of $3,600,000 (the "Series 2002 B Bonds");

(9) Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 C (Insured), dated December 20, 2002, issued in the original aggregate principal amount of $4,135,000 (the "Series 2002 C Bonds");

(10) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2009 A (Tax-Exempt), dated December 1, 2009, issued in the original aggregate principal amount of $7,120,000 (the "Series 2009 A Bonds");

(11) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 A (West Virginia DWTRF Program), dated January 13, 2010, issued in the original aggregate principal amount of $912,458 (the "Series 2010 A Bonds");

(12) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia DWTRF Program/ARRA), dated January 13, 2010, issued in the original aggregate principal amount of $100,000 (the "Series 2010 B Bonds");

(13) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2010 C (West Virginia SRF Program), dated December 2, 2010, issued in the original aggregate principal amount of $1,250,000 (the "Series 2010 C Bonds");

(14) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2010 D (West Virginia SRF Program), dated December 2, 2010, issued in the original aggregate principal amount of $500,000 (the "Series 2010 D Bonds");

(15) Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 A (West Virginia SRF Program), dated July 22, 2011, issued in the original aggregate principal amount of $13,147,192 (the "Series 2011 A Bonds");

(16) Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 B (West Virginia SRF Program), dated July 22, 2011, issued in the original aggregate principal amount of $2,000,000 (the "Series 2011 B Bonds");

(17) Combined Waterworks and Sewerage System Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated December 18, 2012, issued in the original aggregate principal amount of $1,500,000 (the "Series 2012 A Bonds");

(18) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia SRF Program), dated June 27, 2013, issued in the original aggregate principal amount of $591,977 (the "Series 2013 A Bonds");

(19) Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 B (Tax-Exempt), dated October 1, 2013, issued in the original aggregate principal amount of $2,970,000 (the "Series 2013 B Bonds");

(20) Combined Waterworks and Sewerage System Revenue Bonds, Series 2014 A (West Virginia SRF Program), dated June 18, 2014, issued in the original aggregate principal amount of $4,058,000 (the "Series 2014 A Bonds");

(21) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT), dated October 31, 2014, issued simultaneously herewith in the original aggregate principal amount of $820,000 (the "Series 2014 C Bonds"); and

(22) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified), dated October 31, 2014, issued simultaneously herewith in the original aggregate principal amount of $1,425,000 (the "Series 2014 E Bonds").

The Series 2014 D Bonds are enforceable in accordance with their terms and the terms of the Ordinance, and are entitled to the benefits of the Ordinance and the Act.

5. The Series 2006 A Bonds have been paid within the meaning and with the effect expressed in the Ordinance, as supplemented, pursuant to which they were issued, and the covenants, agreements and other obligations of the Issuer to the holders and owners of the Series 2006 A Bonds have been satisfied and discharged.

6. The Series 2014 D Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from 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 Series 2014 D Bonds.

7. Under the Act, the Series 2014 D Bonds and the interest thereon are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

8. The Series 2014 D Bonds are exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended, and the West Virginia Uniform Securities Act, as amended, and it is not necessary, in connection with the public offering and sale of the Series 2014 D Bonds, to register any securities under said Securities Acts.

It is to be understood that the rights of the holders of the Series 2014 D Bonds and the enforceability of the Series 2014 D Bonds, the Ordinance, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate, and the liens, pledges, rights or remedies with respect thereto, are subject to and may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally and that their enforcement may also be subject to the application of public policy, general principles of equity and the exercise of judicial discretion in appropriate cases.

We do not express any opinion as to the sufficiency or accuracy of the material, information or financial statements which are set forth in the official statement prepared and used in connection with the offering and sale of the Series 2014 D Bonds.

We have examined the executed and authenticated Series 2014 D Bonds of said issue, and in our opinion, said Series 2014 D Bonds are in proper form and have been duly executed and authenticated.

Very truly yours,

STEPTOE & JOHNSON PLLC

144220.00029

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Writer's Contact Information

October 31, 2014

City of Charles Town
Combined Waterworks and Sewerage System
Refunding Revenue Bonds, Series 2014 E (Bank Qualified)

City of Charles Town
Charles Town, West Virginia

Crews & Associates, Inc.
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by the City of Charles Town, West Virginia (the "Issuer") of its $1,425,000 aggregate principal amount of Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (Bank Qualified) (the "Series 2014 E Bonds").

The Series 2014 E Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on May 19, 2014, as supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on June 2, 2014 (collectively, the "Ordinance"), and are subject to all the terms and conditions of the Ordinance. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Ordinance when used herein.

The Series 2014 E Bonds are issued in fully registered form, are dated October 31, 2014, upon original issuance, mature on June 1 in the years and amounts and bear interest payable each June 1 and December 1, commencing June 1, 2015, as set forth in the Ordinance.

The Series 2014 E Bonds maturing on or after June 1, 2021 shall be subject to optional redemption on or after June 1, 2020, at par plus accrued interest thereon to the date set for redemption.

The Ordinance provides that the Series 2014 E Bonds are issued for the purpose of currently refunding the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 B (Tax-Exempt) (the "Series 2006 B Bonds"), funding a debt service reserve account for the Series 2014 E Bonds and paying costs of issuance of the Series 2014 E Bonds and related costs.

The Series 2014 E Bonds have been sold to Crews & Associates, Inc. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement dated October 23, 2014, and accepted by the Issuer (the "Bond Purchase Agreement").

As to questions of fact material to our opinion, we have relied upon representations of the Issuer, the Original Purchaser and other entities contained in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and in the certified proceedings and other certifications of certain officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, and assuming compliance with the covenants and representations of the Issuer and others set forth in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and such certifications, we are of the opinion, under existing law, that:

1. The Issuer is a duly organized and validly existing municipal corporation under and pursuant to the laws of the State of West Virginia, with full power and authority to adopt and enact the Ordinance, enter into a Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and Tax Certificate, perform its obligations under the terms and provisions thereof and to issue and sell the Series 2014 E Bonds, all under the provisions of the Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively adopted and enacted the Ordinance, has authorized, executed and delivered the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate, has authorized the distribution of the Official Statement in connection with the marketing and sale of the Series 2014 E Bonds, and has issued and delivered the Series 2014 E Bonds to the Original Purchaser pursuant to the Bond Purchase Agreement. The Ordinance is in full force and effect as of the date hereof.

3. Assuming due authorization, execution and delivery by the other parties thereto, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Certificate constitute valid, legal, binding and enforceable instruments of the Issuer in accordance with their respective terms.

4. The Series 2014 E Bonds have been duly authorized, executed and delivered by the Issuer and, assuming proper authentication, constitute valid and legally enforceable limited obligations of the Issuer, payable from, and secured by a lien on, the Gross Revenues of the System, on a parity with the Issuer's outstanding:

(1) Combined Waterworks and Sewerage System Revenue Bonds, Series 1987 B, dated November 18, 1987, issued in the original aggregate principal amount of $413,629 (the "Series 1987 B Bonds");

(2) Combined Waterworks and Sewerage System Revenue Bonds, Series 1988 B-1, dated May 4, 1988, issued in the original aggregate principal amount of $295,916 (the "Series 1988 B-1 Bonds");

(3) Combined Waterworks and Sewerage System Revenue Bonds, Series 1988 B-2, dated May 20, 1988, issued in the original aggregate principal amount of $558,000 (the "Series 1988 B-2 Bonds");

(4) Combined Waterworks and Sewerage System Revenue Bonds, Series 1989 B, dated April 13, 1989, issued in the original aggregate principal amount of $117,480 (the "Series 1989 B Bonds");

(5) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 1998 (West Virginia SRF Program), dated September 29, 1998, issued in the original aggregate principal amount of $437,601 (the "Series 1998 Bonds");

(6) Combined Waterworks and Sewerage System Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated June 22, 2000, issued in the original aggregate principal amount of $3,163,781 (the "Series 2000 A Bonds");

(7) Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 A (West Virginia Water Development Authority), dated August 22, 2002, issued in the original aggregate principal amount of $1,100,000 (the "Series 2002 A Bonds");

(8) Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 B (West Virginia Infrastructure Fund), dated August 22, 2002, issued in the original aggregate principal amount of $3,600,000 (the "Series 2002 B Bonds");

(9) Combined Waterworks and Sewerage System Revenue Bonds, Series 2002 C (Insured), dated December 20, 2002, issued in the original aggregate principal amount of $4,135,000 (the "Series 2002 C Bonds");

(10) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2009 A (Tax-Exempt), dated December 1, 2009, issued in the original aggregate principal amount of $7,120,000 (the "Series 2009 A Bonds");

(11) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 A (West Virginia DWTRF Program), dated January 13, 2010, issued in the original aggregate principal amount of $912,458 (the "Series 2010 A Bonds");

(12) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia DWTRF Program/ARRA), dated January 13, 2010, issued in the original aggregate principal amount of $100,000 (the "Series 2010 B Bonds");

(13) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2010 C (West Virginia SRF Program), dated December 2, 2010, issued in the original aggregate principal amount of $1,250,000 (the "Series 2010 C Bonds");

(14) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2010 D (West Virginia SRF Program), dated December 2, 2010, issued in the original aggregate principal amount of $500,000 (the "Series 2010 D Bonds");

(15) Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 A (West Virginia SRF Program), dated July 22, 2011, issued in the original aggregate principal amount of $13,147,192 (the "Series 2011 A Bonds");

(16) Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 B (West Virginia SRF Program), dated July 22, 2011, issued in the original aggregate principal amount of $2,000,000 (the "Series 2011 B Bonds");

(17) Combined Waterworks and Sewerage System Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated December 18, 2012, issued in the original aggregate principal amount of $1,500,000 (the "Series 2012 A Bonds");

(18) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2013 A (West Virginia SRF Program), dated June 27, 2013, issued in the original aggregate principal amount of $591,977 (the "Series 2013 A Bonds");

(19) Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 B (Tax-Exempt), dated October 1, 2013, issued in the original aggregate principal amount of $2,970,000 (the "Series 2013 B Bonds");

(20) Combined Waterworks and Sewerage System Revenue Bonds, Series 2014 A (West Virginia SRF Program), dated June 18, 2014, issued in the original aggregate principal amount of $4,058,000 (the "Series 2014 A Bonds");

(21) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT), dated October 31, 2014, issued simultaneously herewith in the original aggregate principal amount of $820,000 (the "Series 2014 C Bonds"); and

(22) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable), dated October 31, 2014, issued simultaneously herewith in the original aggregate principal amount of $1,445,000 (the "Series 2014 D Bonds").

The Series 2014 E Bonds are enforceable in accordance with their terms and the terms of the Ordinance, and are entitled to the benefits of the Ordinance and the Act.

5. The Series 2006 B Bonds have been paid within the meaning and with the effect expressed in the Ordinance, as supplemented, pursuant to which they were issued, and the covenants, agreements and other obligations of the Issuer to the holders and owners of the Series 2006 B Bonds have been satisfied and discharged.

6. Under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Series 2014 E Bonds (including any original issue discount properly allocable to owners of the Bonds) is excludable from gross income of the holders thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations. It should be noted, however, that for the purpose of computing the alternative minimum tax on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. Ownership of tax-exempt obligations, including the Series 2014 E Bonds, may result in collateral federal income tax consequences to certain taxpayers, including without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. We offer no opinion as to such collateral tax consequences or any other federal tax consequences arising with respect to the Series 2014 E Bonds. Prospective purchasers of the Series 2014 E Bonds should consult their own tax advisors as to such

consequences. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Internal Revenue Code of 1986, as amended, and regulations thereunder (collectively, the "Code") that must be satisfied subsequent to issuance of the Series 2014 E Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and with all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Series 2014 E Bonds set forth in the Ordinance, the Prepayment Agreement, the Tax Certificate and the certifications of the Issuer and others. Failure to comply with such Code provisions or such certifications, covenants and representations could cause the interest on the Series 2014 E Bonds to be includable in gross income retroactive to the date of issuance of the Series 2014 E Bonds.

7. Under the Act, the Series 2014 E Bonds and the interest thereon are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

8. The Issuer has designated the Bonds as "Qualified Tax-Exempt Obligations" for purposes of paragraph (3) of Section 265(b) of the Code and covenanted that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income taxes (excluding, however, obligations described in Section 265(b)(3)(C)(ii) of the Code), including the Bonds, have been or shall be issued by the Issuer or any entities subordinate to it, during the calendar year 2014, all as determined in accordance with the Code. For purposes of this paragraph and for the purposes of applying such Section 265(b)(3) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a subordinate entity shall, for purposes of applying this paragraph and Section 265(b)(3) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code and all entities benefitting thereby shall be treated as one issuer. Therefore, the Series 2014 E Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

9. The Series 2014 E Bonds are exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended, and the West Virginia Uniform Securities Act, as amended, and it is not necessary, in connection with the public offering and sale of the Series 2014 E Bonds, to register any securities under said Securities Acts.

It is to be understood that the rights of the holders of the Series 2014 E Bonds and the enforceability of the Series 2014 E Bonds, the Ordinance, the Prepayment Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate, and the liens, pledges, rights or remedies with respect thereto, are subject to and may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally and that their enforcement may also be subject to the application of public policy, general principles of equity and the exercise of judicial discretion in appropriate cases.

We do not express any opinion as to the sufficiency or accuracy of the material, information or financial statements which are set forth in the official statement prepared and used in connection with the offering and sale of the Series 2014 E Bonds.

We have examined the executed and authenticated Series 2014 E Bonds of said issue, and in our opinion, said Series 2014 E Bonds are in proper form and have been duly executed and authenticated.

City of Charles Town, et al.

Very truly yours,



STEPTOE & JOHNSON PLLC

144220.00029

CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BONDS
$820,000 SERIES 2014 C (AMT) $1,445,000 SERIES 2014 D (TAXABLE)
$1,425,000 SERIES 2014 E (BANK-QUALIFIED)

BOND PURCHASE AGREEMENT

October 23, 2014

City of Charles Town
101 East Washington Street
Charles Town, West Virginia 25414

Ladies and Gentlemen:

Crews & Associates, Inc. (the "Underwriter"), offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with the City of Charles Town, West Virginia (the "City") for the purchase of the City's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT) (the "Series 2014 C Bonds"), Series 2014 D (Taxable) (the "Series 2014 D Bonds"), and Series 2014 E (Bank-Qualified) (the "Series 2014 E Bonds," and together with the Series 2014 C Bonds and the Series 2014 D Bonds, collectively, the "Bonds"). This offer is made subject to acceptance and execution of this Purchase Agreement by the City prior to 11:59 p.m., local prevailing time on the date hereof, or until withdrawn by the Underwriter upon written notice to the City as permitted herein, whichever shall occur earlier. Upon such acceptance and approval, as evidenced by the signature of the Mayor of the City in the space provided below, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the City and the Underwriter. All capitalized terms used in this Purchase Agreement and not otherwise defined herein shall have the meanings set forth in the hereinafter described Ordinance.

The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the City and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent or fiduciary of the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on other matters), (iv) the Underwriter has no obligation to the City with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Agreement, and (v) the City has consulted their own legal, financial and other advisors to the extent they have deemed appropriate.

1. The proceeds of the Series 2014 C Bonds shall be used, together with other available funds, to: (i) finance the costs of currently refunding the City's Combined Waterworks and Sewerage System Revenue Bonds, Series 2003 A (AMT—Uninsured), dated January 1, 2003, issued in the original aggregate principal amount of $1,000,000, of which $800,000 is outstanding as of August 1, 2014 (the "Series 2003 A Bonds"); (ii) fund the Series 2014 C Bonds Reserve Account; and (iii) pay costs of issuance of the Bonds and related costs.

The proceeds of the Series 2014 D Bonds shall be used, together with other available funds, to: (i) finance the costs of currently refunding the City's Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A (Taxable), dated January 1, 2006, issued in the original aggregate principal amount of $1,830,000, of which $1,435,000 is outstanding as of August 1, 2014 (the "Series 2006 A Bonds"); (ii) fund the Series 2014 D Bonds Reserve Account; and (iii) pay costs of issuance of the Bonds and related costs.

The proceeds of the Series 2014 E Bonds shall be used, together with other available funds, to: (i) finance the costs of currently refunding the City's Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 B (Tax-Exempt), dated July 27, 2006, issued in the original aggregate principal amount of $2,000,000, of which $1,435,000 is outstanding as of August 1, 2014 (the "Series 2006 B Bonds"); (ii) fund the Series 2014 E Bonds Reserve Account; and (iii) pay costs of issuance of the Bonds and related costs.

The Bonds shall be as described in, and shall be issued and secured under and pursuant to the provisions of the Ordinance enacted by the City Council of the City on May 19, 2014 (the "Original Ordinance") and as supplemented by a Supplemental Parameters Resolution adopted by the City Council of the City on June 2, 2014 (the "Supplemental Resolution" and together with the Original Ordinance, the "Ordinance"), and a Certificate of Determinations, signed by the Mayor of the City, dated October 23, 2014. The Bonds shall be secured by the Gross Revenues derived by the City from the operation of its combined municipal waterworks and sewerage system (the "System"), and with respect to the Series 2014 C Bonds, the Series 2014 C Bonds Sinking Fund and the Series 2014 C Bonds Reserve Account therein, and with respect to the Series 2014 D Bonds, the Series 2014 D Bonds Sinking Fund and the Series 2014 D Bonds Reserve Account therein, and with respect to the Series 2014 E Bonds, the Series 2014 E Bonds Sinking Fund and the Series 2014 E Bonds Reserve Account therein.

Upon the terms and conditions and upon the basis of the representations and warranties set forth in this Purchase Agreement, the Underwriter agrees to purchase from the City, and the City agrees to sell to the Underwriter, the Bonds, at an aggregate purchase price of $3,622,023.10 ($3,690,000 minus Underwriter's discount of $59,962.50 and minus a net reoffering discount of $8,014.40).

The Bonds shall mature on the dates and in the amounts, and shall bear interest from their date, until maturity or until the date fixed for redemption if the Bonds are called for prior redemption and payment on such date provided therefore, payable semiannually on June 1 and December 1 (each an "Interest Payment Date"), commencing June 1, 2015, as more fully described on Exhibit A attached hereto and incorporated herein by reference.

The Underwriter agrees to make a bona fide public offering of the Bonds at the initial offering prices as set forth in the Official Statement (as hereinafter defined) and in Exhibit A, which prices may be changed from time to time by the Underwriter.

2. Concurrently with the acceptance of this Purchase Agreement by the City, the City shall deliver or cause to be delivered to the Underwriter three copies of the Official Statement relating to the Bonds, substantially in the form of the Preliminary Official Statement, dated October 17, 2014 (the "Preliminary Official Statement"), and prior to delivery of the Bonds, seven copies of the Official Statement (the "Official Statement") dated the date of this Purchase Agreement, signed on behalf of the City by its Mayor as requested below.

3. The Official Statement has been approved for distribution by the Ordinance. The City authorizes the use of copies of the Official Statement and the Ordinance in connection with the public offering and sale of the Bonds.

On October 17, 2014, the City delivered to the Underwriter the Preliminary Official Statement and the Underwriter received a certificate from the City which deemed the Preliminary Official Statement "final" within the meaning of clause (b)(1) of Rule 15c2-12 ("Rule 15c2-12") under the Securities and Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) and Rule G-32 and all other rules of the Municipal Securities Rulemaking Board. The City shall deliver or cause to be delivered to the Underwriter, after the acceptance by the City of this Purchase Agreement, and within the time required by Rule 15c2-12, an adequate number of copies of the Official Statement.

Unless otherwise notified in writing by the Underwriter on or prior to the date of Closing, the "End of the Underwriting Period" for the Bonds for all purposes of Rule 15c2-12 is the date of the Closing, as hereinafter defined. In the event such notice is given in writing by the Underwriter, the Underwriter agrees to notify the City in writing following the occurrence of the End of the Underwriting Period for the Bonds as defined in Rule 15c2-12.

The City covenants and agrees that if, after the date of this Purchase Agreement and until after the End of the Underwriting Period (as determined above), any event shall occur of which the City has actual knowledge as a result of which it is necessary to amend or supplement the Official Statement to make the Official Statement not misleading in any material respect in light of the circumstances then existing, or if it is necessary to amend or supplement the Official Statement to comply with law, to notify the Underwriter (and for the purposes hereof to provide the Underwriter with such information as they may from time to time reasonably request), and to cooperate in the preparation of a reasonable number of copies of either amendments or supplements to the Official Statement (in form and substance satisfactory to the Underwriter and its counsel) at the expense of the City so that the Official Statement as so amended and supplemented will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading in any material respect.

For the purposes of this paragraph and for only so long as required by this paragraph, the City will furnish such information with respect to themselves as the Underwriter from time to time reasonably requests. The Underwriter hereby agrees that it will deposit or cause to be deposited with the Municipal Securities Rulemaking Board a copy of the Official Statement at or prior to the time contemplated by Rule 15c2-12.

The Underwriter acknowledges and agrees that any liability of the City that may arise from its representations and agreements made in this paragraph 3 shall be limited to the proceeds of the Bonds (provided that the foregoing shall not be deemed to prevent the Underwriter or the City from seeking to enforce such agreements).

4. At 10:00 a.m. prevailing time, on October 31, 2014, or such other dates as shall be agreed upon by the parties to this Purchase Agreement (the "Closing"), the City will deliver or cause to be delivered to the Underwriter, (a) the Bonds in the form of one certificate for each maturity fully registered in the name of CEDE & CO., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"), duly executed by the City and authenticated by the Registrar, and (b) at such other place as we mutually agree upon, will deliver to the Underwriter the other documents required in this Purchase Agreement and by the Ordinance. Upon such delivery of the Bonds, the Underwriter will accept such delivery and pay the purchase price therefor, plus any accrued interest thereon, in immediately available funds to the order of the Depository Bank, for the account of the City. Such delivery shall be made at DTC, with the payment and other requisite actions to be taken at the place designated by the parties to this Purchase Agreement. The Bonds shall be made available to the Underwriter at DTC at least forty-eight (48) hours before the Closing for the purpose of inspection and packaging; provided, that if DTC Fast delivery is used, then the Bonds shall be made available to the Registrar by 4:00 p.m. on October 29, 2014. If the City does not have a Blanket DTC Letter of Representation (the "DTC Letter of Representations"), the City agrees to provide one to DTC.

5. The City represents and warrants to the Underwriter and agrees that:

(a) The City is a political subdivision and municipal corporation of the State of West Virginia in Jefferson County of said State. The City is duly authorized to operate and maintain the System and establish rates for the System. The Bonds are being issued pursuant to the Constitution and laws of the State of West Virginia (the "State"), specifically, Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act");

(b) The City shall have complied and will comply at the Closing in all respects with all applicable statutes and laws, including the Act;

(c) The City has full legal right, power and authority to issue bonds for purposes provided in the Ordinance and to enter into this Purchase Agreement, to enact the Ordinance and to issue, sell and deliver the Bonds to the Underwriter as provided herein and to carry out and consummate all other transactions contemplated by each of the aforesaid documents;

(d) The information contained in the Preliminary Official Statement dated October 17, 2014, and in the Official Statement, is and, as of the Closing Date (as hereinafter defined), will be, to the best knowledge of the City, true and to the best knowledge of the City does not contain and will not contain any untrue statement of a material fact and does not omit and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(e) At the time of the City's acceptance hereof and (unless an event occurs of the nature described in subparagraph (i)) at all times during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the respective series of Bonds (as determined in accordance with subparagraph (i) hereof), to the best knowledge of the City, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(f) If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the respective series of Bonds (as determined in accordance with subparagraph (i) hereof), the Official Statement as so supplemented or amended, to the best knowledge of the City will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(g) If during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Bonds (as determined in accordance with subparagraph (i) hereof) any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter of any such event of which it has knowledge and, if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will prepare and furnish to the Underwriter (i) a reasonable number of copies of the supplement or amendment to the Official Statement in form and substance approved by the City and acceptable to the Underwriter, and (ii) if such notification shall be subsequent to the Closing, such legal opinion, certification, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement;

(h) Prior to the City's acceptance hereof, the City delivered to the Underwriter copies of the Preliminary Official Statement which the City deemed final (for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934) as of the date thereof; provided, however, that in making the representation and warranty contained in this paragraph (h) the City shall not

be deemed to have made any additional representation or warranty as to the Preliminary Official Statement other than the representation and warranty contained in paragraph (e);

(i) For purposes of this Purchase Agreement, the End of the Underwriting Period for the respective series of Bonds shall mean the earlier of (1) the day of the Closing unless the City has been notified in writing by the Underwriter, on or prior to the day of the Closing, that the End of the Underwriting Period for the respective series of Bonds for all purposes of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934 (the "Rule") will not occur on the day of the Closing, or (2) the date on which notice is given to the City by the Underwriter in accordance with the following sentence. In the event that the Underwriter has given notice to the City pursuant to clause (1) above that the End of the Underwriting Period for the respective series of Bonds will not occur on the day of the Closing, the Underwriter agrees to notify the City in writing as soon as practicable following the "end of the underwriting period" for the respective series of Bonds for all purposes of the Rule;

(j) At or prior to the Closing, the City shall have duly authorized, executed and delivered a written continuing disclosure undertaking (an "Undertaking") which complies with the provisions of Rule 15c2-12(b)(5) and which shall be substantially in the form described in the Preliminary Official Statement;

(k) The City has duly authorized all necessary action to be taken by it for: (1) the issuance and sale of the Bonds upon the terms set forth herein, in the Ordinance and in the Official Statement; (2) the execution and delivery of the Ordinance and the Undertaking; (3) the approval of the Official Statement and the execution, distribution and delivery of the Official Statement by the Mayor of the City; (4) the execution, delivery, receipt and due performance of this Purchase Agreement, the Bonds, the Undertaking, the Ordinance and any and all such other agreements and documents as may be required to be executed, delivered and received by the City in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement; and (5) the carrying out, giving effect to and consummation of the transactions contemplated hereby and by the Ordinance and the Official Statement;

(l) When delivered to and paid for by the Underwriter in accordance with the terms of this Purchase Agreement, the Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute valid and binding obligations of the City payable solely from the Gross Revenues of the System and moneys pledged therefor under the Ordinance and will be entitled to the benefit of the Ordinance. Neither the credit nor the taxing power of the City shall be deemed to be pledged to, nor shall a tax ever be levied for the payment of the principal of, premium, if any, or the interest on the Bonds;

(m) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to our knowledge, threatened against or affecting the City (or, to our knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Official Statement or the validity of the Bonds, the Ordinance, the Undertaking, this Purchase

Agreement or any agreement or instrument to which you are a party and which is used or contemplated hereby or by the Official Statement or the validity of the Bonds, the Ordinance, this Purchase Agreement or any agreement or instrument to which you are a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement;

(n) The execution and delivery of the Official Statement, this Purchase Agreement, the Bonds, the Undertaking, the Ordinance and the other agreements contemplated hereby and by the Official Statement, and compliance with the provisions thereof, to the best of their knowledge following appropriate inquiry, will not conflict with or constitute on the City's part a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the City is subject or by which the City is or may be bound, and to our knowledge all consents, approvals, authorizations and orders of governmental or regulatory authorities which are required for the consummation of the transactions contemplated thereby have been obtained;

(o) The City has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the City is a bond issuer whose arbitrage certifications may not be relied upon;

(p) All financial statements of the City included as a part of the Preliminary Official Statement and the Official Statement (the "Financial Statements"), fairly present the financial condition of the System as of the respective dates and the results of its operations for the respective periods therein set forth and have been prepared when so indicated in accordance with generally accepted accounting principles consistently applied and since the respective most recent dates as of which information is given in the Preliminary Official Statement or the Official Statement, there has not been any material change in the long-term debt of the City or any material adverse change in the general affairs, management, financial position, or results of operations of the System and no material transactions or obligations other than in the ordinary course of business have been entered into with respect to the System by the City, except as reflected in or contemplated by the Official Statement;

(q) Any certificate signed by the Mayor of the City or any of the City's authorized officers and delivered to the Underwriter shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein. It is understood that the representations, warranties and covenants by the City contained in this Section 5 and elsewhere in this Purchase Agreement shall not create any general obligation or liability of the City, and that any obligation or liability of the City hereunder or under the Ordinance will be payable solely out of the Gross Revenues and other income, charges and moneys derived by the City from, or in connection with the System, nor shall any member, official or employee of the City be personally liable therefor.

6. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and agreements of the City made herein. The Underwriter's obligations under this Purchase Agreement are and shall be subject to the following further conditions:

(a) At or prior to the time of the Closing, the Ordinance and the Undertaking, as approved by the Underwriter or its counsel, shall have been approved by the appropriate parties, shall have been duly executed, acknowledged, sealed and delivered, shall be in full force and effect and shall not have been amended, modified or supplemented, except as therein permitted or as may have been agreed to in writing by the Underwriter;

(b) The Underwriter shall have the right to cancel its obligations hereunder to purchase the Bonds (such cancellation shall not constitute a default hereunder) by notifying the City in writing of its election to do so between the date hereof and the Closing Date, if at any time hereafter and prior to the Closing Date:

(i) Any legislation, rule or regulation shall be introduced in, or enacted by, the United States House of Representatives or the United States Senate or any committee thereof, or a decision by a court established under Article III of the Constitution of the United States of America, or the Tax Court of the United States, shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue Service shall be made or proposed, which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Bonds;

(ii) Any legislation, ordinance, rule or regulation shall be introduced in or enacted by any governmental body, department or agency of the State of West Virginia or political subdivision thereof, or a decision by any court of competent jurisdiction within the State of West Virginia shall have been rendered which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Bonds;

(iii) A stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other government agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering for sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all the underlying obligations, as contemplated hereby or by the Official Statement, is in violation of any provisions of the Securities Act of 1933, as amended and as then in effect, or the registration provisions of the Securities and Exchange Act of 1934, as amended and as then in effect, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect;

(iv) Any event shall have occurred or information become known which, in the Underwriter's reasonable opinion, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or the Official Statement or the Underwriter shall have determined that the Preliminary Official Statement or the Official Statement contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(v) A general banking moratorium shall have been established by Federal, New York State or West Virginia authorities;

(vi) In the reasonable opinion of the Underwriter, the market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, has been adversely affected because (1) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, (2) the New York Stock Exchange, other national securities exchange or any governmental authority shall have imposed as to the Bonds or similar obligations any material restrictions not now in force, or increased materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter, or (3) war or any outbreak of hostilities or other national or international calamity or crisis shall have occurred or any armed conflict shall have occurred or escalated to such a magnitude as in the reasonable opinion of the Underwriter to have a materially adverse effect on the ability of the Underwriter to market the Bonds; or

(vii) There shall have been any materially adverse change in the affairs of the City; and

(c) At or prior to the Closing, the Underwriter and the City shall receive the following documents, in each case in form and substance satisfactory to us and our counsel:

(i) Opinions, dated the date of the Closing and addressed to the City and the Underwriter, of Steptoe & Johnson PLLC, Bond Counsel, in substantially the form attached as Appendix D to the Official Statement;

(ii) A supplemental bond counsel opinion, dated the date of the Closing and addressed to the Underwriter, of Steptoe & Johnson PLLC, Bond Counsel, to the effect that (1) this Purchase Agreement has been duly authorized, executed and delivered by, and (assuming due authorization, execution and delivery by the other parties and that it is a binding agreement of the other parties in accordance with its terms) constitutes a binding agreement in accordance with its terms of, the City; (2) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Ordinance is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; (3) the statements contained in the Official Statement under the caption "Tax Matters" are true and accurate in all material respects and presents a fair and accurate summary and description of the matters summarized and described under such caption; and (4) nothing has come to their attention which would lead them to believe that the statements contained in the Official Statement under the captions "Security for the Series 2014 Refunding Bonds," "The Series 2014 Refunding Bonds" (except for the statements referred to therein under "Appendix G - Book-Entry Only System" with respect to The Depository Trust Company), "Financing Plan," "Appendix D – Form of Opinions of Bond Counsel," and "Appendix F – Form of Ordinance" insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, do not present fairly in all material respects the matters referred to therein;

(iii) An opinion, dated the date of Closing and addressed to the Underwriter, of Steptoe & Johnson PLLC, Counsel to the City, to the effect that (1) the City is a political subdivision and municipal corporation of the State of West Virginia, (2) the City has complied with all requirements of the Act that must be satisfied in connection with the issuance of the Bonds, (3) the City has all power and authority to operate the System, (4) the City has the power and authorization to set and enforce rates and the water and sewer rates and charges enacted by the City on April 15, 2008 and September 3, 2013, respectively, are in full force and effect and not subject to appeal, (5) no litigation is pending, or to his knowledge, threatened in any court in any way affecting the existence of the City or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the issuance or delivery of the Bonds, or the collection of Gross Revenues of the System pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Ordinance or this Purchase Agreement, or contesting the powers of the City with respect to the Bonds, the Ordinance, the Undertaking or this Purchase Agreement or any transaction described in or contemplated by the Official Statement, (6) that the Official Statement, as amended or supplemented to the date of Closing (except as aforesaid) contains no untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein regarding the City, in light of the circumstances under which they were made, not misleading, and (7) the statements contained in the Official Statement under the captions "Absence of Material Litigation," "The System," "Financing Plan," and "Appendix B – The System," insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, are accurate and present a fair summary of the matters referred to therein;

(iv) Two counterpart originals of a transcript of all proceedings relating to the authorization and issuance of the Bonds;

(v) An opinion, dated the date of the Closing and addressed to the Underwriter, of Jackson Kelly PLLC, Underwriter's Counsel, to the effect that (1) this Purchase Agreement has been duly authorized, executed and delivered by, and (assuming due authorization, execution and delivery by the other parties and that it is a binding agreement of the other parties in accordance with its terms) constitutes a binding agreement in accordance with its terms of, the Underwriter; (2) the Undertaking complies as to form in all material respects with the requirements of paragraph (b)(5) of the Rule; and (3) with respect to the Official Statement that no facts have come to their attention that the Official Statement contains any untrue statements of a material fact or omits to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(vi) An opinion, dated the date of Closing and addressed to the Underwriter, of Hoy G. Shingleton, Jr., Esq., Counsel to the City of Charles Town Utility Board (the "Board"), to the effect that (1) the Board has been legally constituted and has all power and authority to operate the System, (2) no litigation is pending, or to their knowledge, threatened in any court in any way affecting the existence of the Board or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the collection of Gross Revenues of the

System pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Ordinance, the Undertaking or this Purchase Agreement, or contesting the powers of the Board with respect to this Purchase Agreement or any transaction described in or contemplated by the Official Statement, (3) that the Official Statement contains no untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein regarding the Board, in light of the circumstances under which they were made, not misleading, and (4) the statements contained in the Official Statement under the captions "The System," "Absence of Material Litigation," "Financing Plan," and "Appendix B—The System," insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, are accurate and present a fair summary of the matters referred to therein;

(vii) A certificate, satisfactory to the Underwriter, of the Mayor of the City or any other of your duly authorized officers satisfactory to the Underwriter, dated as of the Closing, to the effect that: (1) the City has duly performed all of the obligations to be performed at or prior to the Closing and that each of the representations and warranties contained herein are true as of Closing, (2) the City has authorized, by all necessary action, the execution, delivery, receipt and due performance of the Bonds, the Undertaking, the Ordinance and any and all such other agreements and documents as may be required to be executed, delivered and received by the City in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement, (3) to your knowledge no litigation is pending, or to your knowledge threatened, to restrain or enjoin the collection of the Gross Revenues, the pledge of the Gross Revenues to the Bonds, the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bonds or the Ordinance, (4) to the best of her knowledge following appropriate inquiry, the execution, delivery, receipt and due performance of the Bonds, the Undertaking, the Ordinance and the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated thereby and the City's compliance with the provisions thereof will not conflict with or constitute on the City's part a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the City is subject or by which the City is or may be bound and (5) she are aware of no material non-compliance with the covenants in all outstanding ordinances which authorized bonds secured by the Gross Revenues of the System;

(viii) Copies of this Purchase Agreement executed by the parties thereto;

(ix) Duly authorized and executed copies of the Undertaking, in substantially the form attached as Appendix E to the Official Statement and incorporated herein, which complies with the provisions of Rule 15c2-12(b)(5) in form and substance satisfactory to the Underwriter;

(x) A certificate of the City executed by authorized officers thereof, dated the Closing Date and in form and substance satisfactory to the Underwriter and counsel to

the Underwriter, to the effect that the City is obligated by such Undertaking and except as provided in the Official Statement is in full compliance with all of the City's prior written continuing disclosure undertakings entered into pursuant to the provisions of Rule 15c2-12(b)(5);

(xi) A certificate from an independent certified public accountant, stating that the City has Gross Revenues sufficient to meet the coverage and parity requirements of the Prior Ordinances;

(xii) A Certificate of the Registrar to the effect that all conditions precedent contained in the Ordinance for the issuance of the Bonds have been met, and the Bonds are entitled to the benefit and security of the Ordinance;

(xiii) The Ordinance, certified by the City Clerk under the seal of the City, as having been duly enacted by the City and as being in full force and effect, with only such amendments, modifications or supplements as may have been agreed to by the Underwriter;

(xiv) With respect to the Series 2014 C Bonds and the Series 2014 E Bonds, an Information Return for Tax-Exempt Bond Issues (Internal Revenue Service Form 8038-G), in the form satisfactory to Bond Counsel for filing, executed by the duly authorized officer of the City and evidence that the City has adopted post issuance compliance guidelines sufficient to allow the City to check boxes 43 and 44 on Form 8038-G;

(xv) Evidence that the Series 2003 A Bonds, the Series 2006 A Bonds and the Series 2006 B Bonds have either been paid in full or defeased until the first available call date; including a defeasance opinion of Bond Counsel and a defeasance certificate from the paying agent for the Series 2003 A Bonds, the Series 2006 A Bonds and the Series 2006 B Bonds;

(xvi) Consent to use the City's audit in the Preliminary Official Statement and Official Statement from Perry & Associates, Certified Public Accountants;

(xvii) A tax and arbitrage certificate of the City;

(xviii) Executed copies of the Prepayment Agreement for the Series 2003 A Bonds, the Series 2006 A Bonds and the Series 2006 B Bonds;

(xix) A consent from the holders of the Prior Bonds to the issuance of the Bonds on a parity with the Prior Bonds;

(xx) Evidence of fully funded reserves for the Bonds; and

(xxi) Such additional legal opinions, certificates, instruments and other documents as the Underwriter or its counsel, Jackson Kelly PLLC, reasonably may deem necessary or advisable to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the City's representations and warranties contained herein and of the

statements and information contained in the Official Statement and the due performance or satisfaction by the City on or prior to the date of the Closing of all agreements then to be performed and all conditions then to be satisfied by the City;

All of the opinions, letters, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriter and to Jackson Kelly PLLC, counsel to the Underwriter.

If the City shall be unable to satisfy or cause to be satisfied the conditions to the Underwriter's obligations in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriter and the City shall not have any further obligations, claims or rights hereunder. However, the Underwriter may in its discretion waive in writing one or more conditions imposed by this Purchase Agreement for the protection of the Underwriter and proceed with the Closing.

7. The Underwriter shall be under no obligation to pay, and, if the Bonds are issued, the City shall pay or cause to be paid from the proceeds of the Bonds or other funds of the City, any fees and expenses incident to the performance of the City's obligations hereunder including (i) all expenses in connection with the printing and distribution of the Preliminary Official Statement, the Official Statement and any amendment or supplement to either; (ii) all expenses in connection with the preparation, printing, issuance and delivery of the Bonds; (iii) the fees and disbursements of Steptoe & Johnson PLLC, Bond Counsel; (iv) all advertising expenses in connection with the public offering of the Bonds; (v) the fees and disbursements of the Registrar including legal fees of legal counsel, if any; (vi) the fees and expenses of Counsel to the Underwriter; (vii) the fees and expenses of the accountant; (viii) all fees associated with the payment and redemption of the Series 2003 A Bonds, the Series 2006 A Bonds and the Series 2006 B Bonds; (ix) bond insurance premium; (x) rating agency fees; and (xi) all other expenses and costs (including the fees and expenses of the City) for the authorization, issuance, sale and distribution of the Bonds.

8. The Underwriter shall pay from the underwriting spread all expenses incurred by it in connection with its public offering and distribution of the Bonds, including all out-of-pocket expenses, travel and other expenses and filing fees.

9. For so long as the Underwriter, or dealers or banks, if any, participating in the distribution of the Bonds, is offering the Bonds which constitute the whole or a part of its unsold participations, the City will: (a) not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall object in writing or which shall be disapproved by Counsel for the Underwriter, unless, in the opinion of the Counsel to the City, such amendment or supplement is required to make the Official Statement not misleading, and (b) if any event relating to or affecting the City shall occur as a result of which it is necessary, in the opinion of Bond Counsel or Counsel for the Underwriter, to amend or supplement the Official Statement in order to make the Official

Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, forthwith prepare and furnish to the Underwriter a reasonable number of copies of an amendment or a supplement to the Official Statement (in form and substance satisfactory to the Counsel for the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading. The expense of preparing such amendment or supplement shall be borne by the City. For the purposes of this paragraph, the City will furnish such information with respect to themselves as the Underwriter from time to time may request.

10. Neither the officials of the City nor its employees shall be personally liable for breach of any representation, agreement or warranty made by the City within this Purchase Agreement.

11. Any notice or other communication to be given under this Purchase Agreement may be given by delivering the same in writing as follows:

To the City:

City of Charles Town
P.O. Box 14
101 East Washington Street
Charles Town, WV 25414
Attention: City Manager

To the Underwriter:

Crews & Associates, Inc.
300 Summers Street
Suite 930
Charleston, WV 25301

12. This Purchase Agreement is made solely for the benefit of the City and the Underwriter (including the successors or assigns of the Underwriter) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All agreements of the City in this Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds.

13. This Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

14. The approval of the Underwriter when required hereunder or the determination of its satisfaction with any document referred to herein shall be in writing signed by the Representative and delivered to the City. This Purchase Agreement shall become legally effective upon its acceptance by the City, as evidenced by the signature of the Mayor of the City in the space provided hereinafter therefor.

Crews & Associates, Inc.

By: _____
Its: Senior Managing Director

ACCEPTED AND APPROVED:

10-23, 2014 at 10:53 p.m.

City of Charles Town, West Virginia

By: _____
Its: Mayor

To the Underwriter:

Crews & Associates, Inc.
300 Summers Street
Suite 930
Charleston, WV 25301

12. This Purchase Agreement is made solely for the benefit of the City and the Underwriter (including the successors or assigns of the Underwriter) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All agreements of the City in this Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds.

13. This Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

14. The approval of the Underwriter when required hereunder or the determination of its satisfaction with any document referred to herein shall be in writing signed by the Representative and delivered to the City. This Purchase Agreement shall become legally effective upon its acceptance by the City, as evidenced by the signature of the Mayor of the City in the space provided hereinafter therefor.

Crews & Associates, Inc.

By:_____
Its: Senior Managing Director

ACCEPTED AND APPROVED:

_____, 2014 at _____ p.m.

City of Charles Town, West Virginia

By: _____
Its: Mayor

EXHIBIT A

CITY OF CHARLES TOWN (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS

Maturities, Amounts, Interest Rates, Prices & CUSIPS

$820,000 SERIES 2014 C TERM BONDS (AMT)

Maturity (December 1)	Amount	Interest Rate	Price	CUSIP
2018	$135,000	2.500%	100.000%	160028CV6
2023	$210,000	3.500%	100.000%	160028CW4
2028	$235,000	4.250%	97.409%	160028CX2
2032	$240,000	4.750%	97.042%	160028CY0

$1,445,000 SERIES 2014 D TERM BONDS (TAXABLE)

Maturity (June 1)	Amount	Interest Rate	Price	CUSIP
2018	$310,000	3.000%	100.000%	160028CZ7
2020	$190,000	4.000%	100.000%	160028DA1
2023	$315,000	4.500%	100.000%	160028DB9
2025	$235,000	4.750%	100.000%	160028DC7
2028	$395,000	5.000%	100.000%	160028DD5

$1,265,000 SERIES 2014 E SERIAL BONDS (BANK-QUALIFIED)

Maturity (June 1)	Amount	Interest Rate	Price	CUSIP
2017	$110,000	3.000%	102.504%	160028DF0
2018	$115,000	3.000%	102.740%	160028DG8
2019	$120,000	3.000%	102.369%	160028DH6
2020	$120,000	3.000%	101.543%	160028DJ2
2021	$125,000	3.000%	100.000%	160028DK9
2022	$125,000	3.000%	99.327%	160028DL7
2023	$135,000	3.000%	98.507%	160028DM5
2024	$135,000	3.300%	100.000%	160028DN3
2025	$135,000	3.300%	99.115%	160028DP8
2026	$145,000	3.400%	99.052%	160028DQ6

$160,000 1.500% Series 2014 E Term Bonds Due June 1, 2016 at 100.000%; CUSIP: 160028DE3

Extraordinary Redemption

The Series 2014 Refunding Bonds shall be subject to redemption if there shall occur any damage to or destruction of the System and any condemnation of title to or the use of the System, the applicable Series 2014 Refunding Bonds shall be subject to redemption at any time at the redemption price of 100% of the principal amount thereof plus accrued interest to the Redemption Date from any condemnation awards or insurance proceeds which are not used to repair, rebuild or rearrange the System.

Optional Redemption

The Series 2014 C Bonds maturing on and after December 1, 2020, are subject to redemption at the option of the City, prior to maturity, on or after December 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

The Series 2014 D Bonds maturing on and after June 1, 2020, are subject to redemption at the option of the City, prior to maturity, on or after December 1, 2019, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

The Series 2014 E Bonds maturing on and after June 1, 2021, are subject to redemption at the option of the City, prior to maturity, on or after June 1, 2020, in whole at any time and in part on any Interest Payment Date, in inverse order of maturity and by random selection within maturities if less than all of any maturity, at a redemption price (expressed as a percentage of the principal amount) of 100%, plus interest accrued to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Series 2014 C Bonds maturing December 1, 2018, December 1, 2023, December 1, 2028 and December 1, 2032, are subject to annual mandatory redemption prior to maturity by random selection on December 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2018

Year (December 1)	Principal Amount
2015	$30,000
2016	$35,000
2017	$35,000
2018*	$35,000

*Final maturity.

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Bonds Maturing 2023

Year (December 1)	Principal Amount
2019	$40,000
2020	$40,000
2021	$40,000
2022	$45,000
2023*	$45,000

*Final maturity.

Bonds Maturing 2028

Year (December 1)	Principal Amount
2024	$40,000
2025	$45,000
2026	$45,000
2027	$50,000
2028*	$55,000

*Final maturity.

Bonds Maturing 2032

Year (December 1)	Principal Amount
2029	$55,000
2030	$60,000
2031	$60,000
2032*	$65,000

*Final maturity.

The Series 2014 D Bonds maturing June 1, 2018, June 1, 2020, June 1, 2023, June 1, 2025 and June 1, 2028, are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

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Bonds Maturing 2018

Year (June 1)	Principal Amount
2015	$50,000
2016	$85,000
2017	$85,000
2018*	$90,000

*Final maturity.

Bonds Maturing 2020

Year (June 1)	Principal Amount
2019	$95,000
2020*	$95,000

*Final maturity.

Bonds Maturing 2023

Year (June 1)	Principal Amount
2021	$100,000
2022	$105,000
2023*	$110,000

*Final maturity.

Bonds Maturing 2025

Year (June 1)	Principal Amount
2024	$115,000
2025*	$120,000

*Final maturity.

Bonds Maturing 2028

Year (June 1)	Principal Amount
2026	$125,000
2027	$130,000
2028*	$140,000

*Final maturity.

The Series 2014 E Bonds maturing June 1, 2016 are subject to annual mandatory redemption prior to maturity by random selection on June 1 of the years and in the principal amounts set forth below, at the redemption price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 2016

Year (June 1)	Principal Amount
2015	$50,000
2016*	$110,000

*Final maturity.

WV MUNICIPAL BOND COMMISSION
State Lottery Building
900 Pennsylvania Avenue, Suties 1117
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 10/31/2014

ISSUE: City of Charles Town
Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 C (AMT)

ADDRESS: 101 East Washington Street, Charles Town, WV 25414 COUNTY: Jefferson

PURPOSE OF ISSUE:
New Money: ____
Refunding: x

REFUNDS ISSUE(S) DATED: 1/15/2003

ISSUE DATE: 10/31/2014 CLOSING DATE: 10/31/2014

ISSUE AMOUNT: $820,000 RATE: 2.5-4.75%

1ST DEBT SERVICE DUE: 6/1/2015 1ST PRINCIPAL DUE 12/1/2015

1ST DEBT SERVICE AMOUNT see dss PAYING AGENT: Municipal Bond Commission

BOND COUNSEL:
Firm: Steptoe & Johnson PLLC
Contact John Stump, Esquire
Phone: (304) 353.8196

UNDERWRITERS COUNSEL
Firm: Jackson Kelly, PLLC
Contact: Samme Gee, Esquire
Phone: (304) 340-1318

CLOSING BANK:
Bank: United Bank, Inc.
Contact: Kathy Smith
Phone: 304.348.8427

ESCROW TRUSTEE:
Firm:
Contact:
Phone:

KNOWLEDGEABLE ISSUER CONTACT
Contact: Peggy Smith
Position: Mayor
Phone: 304.725.2311

OTHER:
Agency: Crews & Associates, Inc.
300 Summers St., Charleston WV
Contact: Greg Isaacs
Position: Senior Managing Director
Phone: 304.344.1733

DEPOSITS TO MBC AT CLOSE

By:				
x	Wire		Accrued Interest:	$
	Check		Capitalized Interest:	$
		x	Reserve Account:	$ 69,537.50
		x	Other: pay 2003 A	$ 701,352.55

REFUNDS & TRANSFERS BY MBC AT CLOSE

By:				
	Wire		To Escrow Trustee	$
	Check		To Issuer	$
x	IGT		To Cons. Invest. Fun	$
		x	To Other: see note	$ 71,972.39 & 48,996.94

NOTES: The Series 2014 C Bonds Reserve Account is fully funded with bond proceeds. The MBC shall transfer the Series 2003 A Bonds Sinking Fund (48,996.94) and Reserve Account (71,972.39) to the Refunding Fund for a total payoff amount of $822,321.88.

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

WV MUNICIPAL BOND COMMISSION
State Lottery Building
900 Pennsylvania Avenue, Suties 1117
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 10/31/2014

ISSUE: City of Charles Town
Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 D (Taxable)

ADDRESS: 101 East Washington Street, Charles Town, WV 25414 COUNTY: Jefferson

PURPOSE OF ISSUE:
New Money:
Refunding: x

REFUNDS ISSUE(S) DATED: 1/9/2006

ISSUE DATE: 10/31/2014
CLOSING DATE: 10/31/2014
ISSUE AMOUNT: $1,445,000
RATE: 3.0-5.0%
1ST DEBT SERVICE DUE: 6/1/2015
1ST PRINCIPAL DUE 6/1/2015
1ST DEBT SERVICE AMOUNT see dss
PAYING AGENT: Municipal Bond Commission

BOND COUNSEL:
Firm: Steptoe & Johnson PLLC
Contact John Stump, Esquire
Phone: (304) 353.8196

UNDERWRITERS COUNSEL
Firm: Jackson Kelly, PLLC
Contact: Samme Gee, Esquire
Phone: (304) 340-1318

CLOSING BANK:
Bank: United Bank, Inc.
Contact: Kathy Smith
Phone: 304.348.8427

ESCROW TRUSTEE:
Firm:
Contact:
Phone:

KNOWLEDGEABLE ISSUER CONTACT
Contact: Peggy Smith
Position: Mayor
Phone: 304.725.2311

OTHER:
Agency: Crews & Associates, Inc.
300 Summers St., Charleston WV
Contact: Greg Isaacs
Position: Senior Managing Director
Phone: 304.344.1733

DEPOSITS TO MBC AT CLOSE
By: x Wire
Check

	Accrued Interest:	$
	Capitalized Interest:	$
x	Reserve Account:	$ 144,500.00
x	Other: pay 2006 A	$ 1,246,716.14

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: Wire
Check
x IGT

	To Escrow Trustee	$
	To Issuer	$
	To Cons. Invest. Fun	$
x	To Other: see note	$ 168,129.36 & 71,317

NOTES: The Series 2014 D Bonds Reserve Account is fully funded with bond proceeds. The MBC shall transfer the Series 2006 A Bonds Sinking Fund (71,317) and Reserve Account (168,129.36) to the Refunding Fund for a total payoff amount of $1,486,162.50.

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

WV MUNICIPAL BOND COMMISSION
State Lottery Building
900 Pennsylvania Avenue, Suties 1117
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 10/31/2014

ISSUE: City of Charles Town
Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2014 E (BQ)

ADDRESS: 101 East Washington Street, Charles Town, WV 25414 COUNTY: Jefferson

PURPOSE OF ISSUE:
New Money: ____
Refunding: x

REFUNDS ISSUE(S) DATED: 7/27/2006

ISSUE DATE: 10/31/2014 CLOSING DATE: 10/31/2014

ISSUE AMOUNT: $1,425,000 RATE: 1.5-3.4%

1ST DEBT SERVICE DUE: 6/1/2015 1ST PRINCIPAL DUE 6/1/2015

1ST DEBT SERVICE AMOUNT see dss PAYING AGENT: Municipal Bond Commission

BOND COUNSEL:
Firm: Steptoe & Johnson PLLC
Contact John Stump, Esquire
Phone: (304) 353.8196

UNDERWRITERS COUNSEL
Firm: Jackson Kelly, PLLC
Contact: Samme Gee, Esquire
Phone: (304) 340-1318

CLOSING BANK:
Bank: United Bank, Inc.
Contact: Kathy Smith
Phone: 304.348.8427

ESCROW TRUSTEE:
Firm:
Contact:
Phone:

KNOWLEDGEABLE ISSUER CONTACT
Contact: Peggy Smith
Position: Mayor
Phone: 304.725.2311

OTHER:
Agency: Crews & Associates, Inc.
300 Summers St., Charleston WV
Contact: Greg Isaacs
Position: Senior Managing Director
Phone: 304.344.1733

DEPOSITS TO MBC AT CLOSE

By:				
x	Wire		Accrued Interest:	$
	Check		Capitalized Interest:	$
x			Reserve Account:	$ 142,500.00
x			Other: pay 2006 B	$ 1,229,179.40

REFUNDS & TRANSFERS BY MBC AT CLOSE

By:				
	Wire		To Escrow Trustee	$
	Check		To Issuer	$
x	IGT		To Cons. Invest. Fun	$
		x	To Other: see note	$ 164,547.60 & 78,166.75

NOTES: The Series 2014 E Bonds Reserve Account is fully funded with bond proceeds. The MBC shall transfer the Series 2006 B Bonds Sinking Fund (78,166.75) and Reserve Account (164,547.60) to the Refunding Fund for a total payoff amount of $1,471,893.75

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

Final

$3,690,000

City of Charles Town, West Virginia

Combined Waterworks and Sewerage System Revenue Bonds

Series 2014

Total Issue Sources And Uses

Dated 10/31/2014 | Delivered 10/31/2014

	2003 A (AMT/NR)	2006 A (Taxable)	2006 B (BQ/NR)	Issue Summary
Sources Of Funds				
Par Amount of Bonds	$820,000.00	$1,445,000.00	$1,425,000.00	$3,690,000.00
Transfers from Prior Issue DSR Funds	71,972.39	168,129.36	164,547.60	404,649.35
Transfers from Prior Issue Debt Service Funds	48,996.94	71,317.00	78,166.75	198,480.69
Reoffering Premium	-	-	5,173.65	5,173.65
Original Issue Discount (OID)	(13,188.05)	-	-	(13,188.05)
Total Sources	**$927,781.28**	**$1,684,446.36**	**$1,672,888.00**	**$4,285,115.64**
Uses Of Funds				
Deposit to Current Refunding Fund	822,321.88	1,486,162.50	1,471,893.75	3,780,378.13
Deposit to Debt Service Reserve Fund (DSRF)	69,537.50	144,500.00	142,500.00	356,537.50
Costs of Issuance	18,888.89	33,285.91	32,825.20	85,000.00
Total Underwriter's Discount (1.625%)	13,325.00	23,481.25	23,156.25	59,962.50
Rounding Amount	3,708.01	(2,983.30)	2,512.80	3,237.51
Total Uses	**$927,781.28**	**$1,684,446.36**	**$1,672,888.00**	**$4,285,115.64**

Crews & Associates, Inc.

Capital Markets Group

Final

$820,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014C (AMT)

Debt Service Comparison

Date	Total P+I	DSR	Net New D/S	Old Net D/S	Savings
12/01/2014	-	-	-	(1,675.06)	(1,675.06)
12/01/2015	64,877.74	-	64,877.74	68,268.76	3,391.02
12/01/2016	66,362.50	-	66,362.50	71,893.76	5,531.26
12/01/2017	65,487.50	-	65,487.50	70,243.76	4,756.26
12/01/2018	64,612.50	-	64,612.50	68,593.76	3,981.26
12/01/2019	68,737.50	-	68,737.50	71,943.76	3,206.26
12/01/2020	67,337.50	-	67,337.50	70,018.76	2,681.26
12/01/2021	65,937.50	-	65,937.50	68,093.76	2,156.26
12/01/2022	69,537.50	-	69,537.50	71,168.76	1,631.26
12/01/2023	67,962.50	-	67,962.50	68,968.76	1,006.26
12/01/2024	61,387.50	-	61,387.50	66,718.76	5,331.26
12/01/2025	64,687.50	-	64,687.50	69,468.76	4,781.26
12/01/2026	62,775.00	-	62,775.00	66,937.50	4,162.50
12/01/2027	65,862.50	-	65,862.50	69,406.26	3,543.76
12/01/2028	68,737.50	-	68,737.50	71,593.76	2,856.26
12/01/2029	66,400.00	-	66,400.00	68,500.00	2,100.00
12/01/2030	68,787.50	-	68,787.50	70,406.26	1,618.76
12/01/2031	65,937.50	-	65,937.50	67,031.26	1,093.76
12/01/2032	68,087.50	(69,537.50)	(1,450.00)	(3,316.13)	(1,866.13)
Total	**$1,193,515.24**	**(69,537.50)**	**$1,123,977.74**	**$1,174,265.21**	**$50,287.47**

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	87,799.79
Effects of changes in DSR investments	(1,181.09)
Net PV Cashflow Savings @ 4.040%(Bond Yield)	86,618.71
Transfers from Prior Issue Debt Service Fund	(48,996.94)
Net Present Value Benefit	$37,621.77
Net PV Benefit / $800,000 Refunded Principal	4.703%
Net PV Benefit / $820,000 Refunding Principal	4.588%

Refunding Bond Information

Refunding Dated Date	10/31/2014
Refunding Delivery Date	10/31/2014

Crews & Associates, Inc.
Capital Markets Group

Final

$820,000

City of Charles Town, West Virginia

Combined Waterworks and Sewerage System Revenue Bonds

Series 2014C (AMT)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	Net New D/S	Fiscal Total
10/31/2014	-	-	-	-	-	-	-
06/01/2015	-	-	18,821.49	18,821.49	-	18,821.49	-
12/01/2015	30,000.00	2.500%	16,056.25	46,056.25	-	46,056.25	64,877.74
06/01/2016	-	-	15,681.25	15,681.25	-	15,681.25	-
12/01/2016	35,000.00	2.500%	15,681.25	50,681.25	-	50,681.25	66,362.50
06/01/2017	-	-	15,243.75	15,243.75	-	15,243.75	-
12/01/2017	35,000.00	2.500%	15,243.75	50,243.75	-	50,243.75	65,487.50
06/01/2018	-	-	14,806.25	14,806.25	-	14,806.25	-
12/01/2018	35,000.00	2.500%	14,806.25	49,806.25	-	49,806.25	64,612.50
06/01/2019	-	-	14,368.75	14,368.75	-	14,368.75	-
12/01/2019	40,000.00	3.500%	14,368.75	54,368.75	-	54,368.75	68,737.50
06/01/2020	-	-	13,668.75	13,668.75	-	13,668.75	-
12/01/2020	40,000.00	3.500%	13,668.75	53,668.75	-	53,668.75	67,337.50
06/01/2021	-	-	12,968.75	12,968.75	-	12,968.75	-
12/01/2021	40,000.00	3.500%	12,968.75	52,968.75	-	52,968.75	65,937.50
06/01/2022	-	-	12,268.75	12,268.75	-	12,268.75	-
12/01/2022	45,000.00	3.500%	12,268.75	57,268.75	-	57,268.75	69,537.50
06/01/2023	-	-	11,481.25	11,481.25	-	11,481.25	-
12/01/2023	45,000.00	3.500%	11,481.25	56,481.25	-	56,481.25	67,962.50
06/01/2024	-	-	10,693.75	10,693.75	-	10,693.75	-
12/01/2024	40,000.00	4.250%	10,693.75	50,693.75	-	50,693.75	61,387.50
06/01/2025	-	-	9,843.75	9,843.75	-	9,843.75	-
12/01/2025	45,000.00	4.250%	9,843.75	54,843.75	-	54,843.75	64,687.50
06/01/2026	-	-	8,887.50	8,887.50	-	8,887.50	-
12/01/2026	45,000.00	4.250%	8,887.50	53,887.50	-	53,887.50	62,775.00
06/01/2027	-	-	7,931.25	7,931.25	-	7,931.25	-
12/01/2027	50,000.00	4.250%	7,931.25	57,931.25	-	57,931.25	65,862.50
06/01/2028	-	-	6,868.75	6,868.75	-	6,868.75	-
12/01/2028	55,000.00	4.250%	6,868.75	61,868.75	-	61,868.75	68,737.50
06/01/2029	-	-	5,700.00	5,700.00	-	5,700.00	-
12/01/2029	55,000.00	4.750%	5,700.00	60,700.00	-	60,700.00	66,400.00
06/01/2030	-	-	4,393.75	4,393.75	-	4,393.75	-
12/01/2030	60,000.00	4.750%	4,393.75	64,393.75	-	64,393.75	68,787.50
06/01/2031	-	-	2,968.75	2,968.75	-	2,968.75	-
12/01/2031	60,000.00	4.750%	2,968.75	62,968.75	-	62,968.75	65,937.50
06/01/2032	-	-	1,543.75	1,543.75	-	1,543.75	-
12/01/2032	65,000.00	4.750%	1,543.75	66,543.75	(69,537.50)	(2,993.75)	(1,450.00)
Total	**$820,000.00**	-	**$373,515.24**	**$1,193,515.24**	**(69,537.50)**	**$1,123,977.74**	-

Final

$820,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014C (AMT)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
12/01/2018	Term 1 Coupon	2.500%	2.500%	135,000.00	100.000%	135,000.00
12/01/2023	Term 2 Coupon	3.500%	3.500%	210,000.00	100.000%	210,000.00
12/01/2028	Term 3 Coupon	4.250%	4.500%	235,000.00	97.409%	228,911.15
12/01/2032	Term 4 Coupon	4.750%	5.000%	240,000.00	97.042%	232,900.80
Total	-	-	-	**$820,000.00**	-	**$806,811.95**

Bid Information

Par Amount of Bonds	$820,000.00
Reoffering Premium or (Discount)	(13,188.05)
Gross Production	$806,811.95
Total Underwriter's Discount (1.625%)	$(13,325.00)
Bid (96.767%)	793,486.95
Total Purchase Price	$793,486.95
Bond Year Dollars	$8,730.61
Average Life	10.647 Years
Average Coupon	4.2782256%
Net Interest Cost (NIC)	4.5819048%
True Interest Cost (TIC)	4.6346590%

Crews & Associates, Inc.
Capital Markets Group

Final

$820,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014C (AMT)

Current Refunding Escrow

Date	Principal	Rate	Receipts	Disbursements	Cash Balance
12/01/2014	822,321.88	-	822,321.88	822,321.88	-
Total	**$822,321.88**	-	**$822,321.88**	**$822,321.88**	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	GIC
Default investment yield target	Unrestricted
Cost of Investments Purchased with Bond Proceeds	822,321.88
Total Cost of Investments	$822,321.88
Target Cost of Investments at bond yield	$819,494.23
Yield to Receipt	-3.70E-12
Yield for Arbitrage Purposes	4.0403900%

Crews & Associates, Inc.
Capital Markets Group

Final

$1,000,000

City of Charles Town (West Virginia)
W&S Revenue Bonds
Series 2003 A (AMT)

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
10/31/2014	-	-	-	-	-	-	-
12/01/2014	800,000.00	22,321.88	822,321.88	25,000.00	5.500%	22,321.88	47,321.88
06/01/2015	-	-	-	-	-	21,634.38	21,634.38
12/01/2015	-	-	-	25,000.00	5.500%	21,634.38	46,634.38
06/01/2016	-	-	-	-	-	20,946.88	20,946.88
12/01/2016	-	-	-	30,000.00	5.500%	20,946.88	50,946.88
06/01/2017	-	-	-	-	-	20,121.88	20,121.88
12/01/2017	-	-	-	30,000.00	5.500%	20,121.88	50,121.88
06/01/2018	-	-	-	-	-	19,296.88	19,296.88
12/01/2018	-	-	-	30,000.00	5.500%	19,296.88	49,296.88
06/01/2019	-	-	-	-	-	18,471.88	18,471.88
12/01/2019	-	-	-	35,000.00	5.500%	18,471.88	53,471.88
06/01/2020	-	-	-	-	-	17,509.38	17,509.38
12/01/2020	-	-	-	35,000.00	5.500%	17,509.38	52,509.38
06/01/2021	-	-	-	-	-	16,546.88	16,546.88
12/01/2021	-	-	-	35,000.00	5.500%	16,546.88	51,546.88
06/01/2022	-	-	-	-	-	15,584.38	15,584.38
12/01/2022	-	-	-	40,000.00	5.500%	15,584.38	55,584.38
06/01/2023	-	-	-	-	-	14,484.38	14,484.38
12/01/2023	-	-	-	40,000.00	5.625%	14,484.38	54,484.38
06/01/2024	-	-	-	-	-	13,359.38	13,359.38
12/01/2024	-	-	-	40,000.00	5.625%	13,359.38	53,359.38
06/01/2025	-	-	-	-	-	12,234.38	12,234.38
12/01/2025	-	-	-	45,000.00	5.625%	12,234.38	57,234.38
06/01/2026	-	-	-	-	-	10,968.75	10,968.75
12/01/2026	-	-	-	45,000.00	5.625%	10,968.75	55,968.75
06/01/2027	-	-	-	-	-	9,703.13	9,703.13
12/01/2027	-	-	-	50,000.00	5.625%	9,703.13	59,703.13
06/01/2028	-	-	-	-	-	8,296.88	8,296.88
12/01/2028	-	-	-	55,000.00	5.625%	8,296.88	63,296.88
06/01/2029	-	-	-	-	-	6,750.00	6,750.00
12/01/2029	-	-	-	55,000.00	5.625%	6,750.00	61,750.00
06/01/2030	-	-	-	-	-	5,203.13	5,203.13
12/01/2030	-	-	-	60,000.00	5.625%	5,203.13	65,203.13
06/01/2031	-	-	-	-	-	3,515.63	3,515.63
12/01/2031	-	-	-	60,000.00	5.625%	3,515.63	63,515.63
06/01/2032	-	-	-	-	-	1,828.13	1,828.13
12/01/2032	-	-	-	65,000.00	5.625%	1,828.13	66,828.13
Total	**$800,000.00**	**$22,321.88**	**$822,321.88**	**$800,000.00**	**-**	**$495,234.54**	**$1,295,234.54**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	10/31/2014
Average Life	10.630 Years
Average Coupon	5.6063407%
Weighted Average Maturity (Par Basis)	10.630 Years

Refunding Bond Information

Refunding Dated Date	10/31/2014
Refunding Delivery Date	10/31/2014

Crews & Associates, Inc.
Capital Markets Group

Final

$820,000

City of Charles Town, West Virginia

Combined Waterworks and Sewerage System Revenue Bonds

Series 2014C (AMT)

Summary Of Bonds Refunded

Issue	Purpose	Maturity	Type of Bond	Coupon	Maturity Value	Call Date	Call Price
Dated 12/01/2002 | Delivered 12/01/2002							
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2014	Term 1 Coupon	5.500%	25,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2015	Term 1 Coupon	5.500%	25,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2016	Term 1 Coupon	5.500%	30,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2017	Term 1 Coupon	5.500%	30,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2018	Term 1 Coupon	5.500%	30,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2019	Term 1 Coupon	5.500%	35,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2020	Term 1 Coupon	5.500%	35,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2021	Term 1 Coupon	5.500%	35,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2022	Term 1 Coupon	5.500%	40,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2023	Term 2 Coupon	5.625%	40,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2024	Term 2 Coupon	5.625%	40,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2025	Term 2 Coupon	5.625%	45,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2026	Term 2 Coupon	5.625%	45,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2027	Term 2 Coupon	5.625%	50,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2028	Term 2 Coupon	5.625%	55,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2029	Term 2 Coupon	5.625%	55,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2030	Term 2 Coupon	5.625%	60,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2031	Term 2 Coupon	5.625%	60,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES	2003 A (AMT)	12/01/2032	Term 2 Coupon	5.625%	65,000	12/01/2014	100.000%
Subtotal		-		-	**$800,000**	-	-
Total		-		-	**$800,000**	-	-

Final

$1,445,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014D (Taxable)

Debt Service Comparison

Date	Total P+I	DSR	Net New D/S	Old Net D/S	Savings
06/01/2015	86,331.56	-	86,331.56	96,008.00	9,676.44
06/01/2016	145,487.50	-	145,487.50	167,937.50	22,450.00
06/01/2017	142,937.50	-	142,937.50	163,212.50	20,275.00
06/01/2018	145,387.50	-	145,387.50	163,312.50	17,925.00
06/01/2019	147,687.50	-	147,687.50	168,062.50	20,375.00
06/01/2020	143,887.50	-	143,887.50	167,112.50	23,225.00
06/01/2021	145,087.50	-	145,087.50	165,812.50	20,725.00
06/01/2022	145,587.50	-	145,587.50	164,162.50	18,575.00
06/01/2023	145,862.50	-	145,862.50	166,912.50	21,050.00
06/01/2024	145,912.50	-	145,912.50	163,937.50	18,025.00
06/01/2025	145,450.00	-	145,450.00	165,600.00	20,150.00
06/01/2026	144,750.00	-	144,750.00	166,537.50	21,787.50
06/01/2027	143,500.00	-	143,500.00	166,750.00	23,250.00
06/01/2028	147,000.00	(144,500.00)	2,500.00	(1,891.86)	(4,391.86)
Total	**$1,974,869.06**	**(144,500.00)**	**$1,830,369.06**	**$2,083,466.14**	**$253,097.08**

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	281,869.86
Effects of changes in DSR investments	(13,722.40)
Net PV Cashflow Savings @ 4.040%(Bond Yield)	268,147.47
Transfers from Prior Issue Debt Service Fund	(71,317.00)
Net Present Value Benefit	$196,830.47
Net PV Benefit / $1,435,000 Refunded Principal	13.716%
Net PV Benefit / $1,445,000 Refunding Principal	13.621%

Refunding Bond Information

Refunding Dated Date	10/31/2014
Refunding Delivery Date	10/31/2014

Crews & Associates, Inc.
Capital Markets Group

Final

$1,445,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014D (Taxable)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	Net New D/S	Fiscal Total
10/31/2014	-	-	-	-	-	-	-
06/01/2015	50,000.00	3.000%	36,331.56	86,331.56	-	86,331.56	-
12/01/2015	-	-	30,243.75	30,243.75	-	30,243.75	116,575.31
06/01/2016	85,000.00	3.000%	30,243.75	115,243.75	-	115,243.75	-
12/01/2016	-	-	28,968.75	28,968.75	-	28,968.75	144,212.50
06/01/2017	85,000.00	3.000%	28,968.75	113,968.75	-	113,968.75	-
12/01/2017	-	-	27,693.75	27,693.75	-	27,693.75	141,662.50
06/01/2018	90,000.00	3.000%	27,693.75	117,693.75	-	117,693.75	-
12/01/2018	-	-	26,343.75	26,343.75	-	26,343.75	144,037.50
06/01/2019	95,000.00	4.000%	26,343.75	121,343.75	-	121,343.75	-
12/01/2019	-	-	24,443.75	24,443.75	-	24,443.75	145,787.50
06/01/2020	95,000.00	4.000%	24,443.75	119,443.75	-	119,443.75	-
12/01/2020	-	-	22,543.75	22,543.75	-	22,543.75	141,987.50
06/01/2021	100,000.00	4.500%	22,543.75	122,543.75	-	122,543.75	-
12/01/2021	-	-	20,293.75	20,293.75	-	20,293.75	142,837.50
06/01/2022	105,000.00	4.500%	20,293.75	125,293.75	-	125,293.75	-
12/01/2022	-	-	17,931.25	17,931.25	-	17,931.25	143,225.00
06/01/2023	110,000.00	4.500%	17,931.25	127,931.25	-	127,931.25	-
12/01/2023	-	-	15,456.25	15,456.25	-	15,456.25	143,387.50
06/01/2024	115,000.00	4.750%	15,456.25	130,456.25	-	130,456.25	-
12/01/2024	-	-	12,725.00	12,725.00	-	12,725.00	143,181.25
06/01/2025	120,000.00	4.750%	12,725.00	132,725.00	-	132,725.00	-
12/01/2025	-	-	9,875.00	9,875.00	-	9,875.00	142,600.00
06/01/2026	125,000.00	5.000%	9,875.00	134,875.00	-	134,875.00	-
12/01/2026	-	-	6,750.00	6,750.00	-	6,750.00	141,625.00
06/01/2027	130,000.00	5.000%	6,750.00	136,750.00	-	136,750.00	-
12/01/2027	-	-	3,500.00	3,500.00	-	3,500.00	140,250.00
06/01/2028	140,000.00	5.000%	3,500.00	143,500.00	(144,500.00)	(1,000.00)	-
12/01/2028	-	-	-	-	-	-	(1,000.00)
Total	**$1,445,000.00**	-	**$529,869.06**	**$1,974,869.06**	**(144,500.00)**	**$1,830,369.06**	-

Final

$1,445,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014D (Taxable)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
06/01/2018	Term 1 Coupon	3.000%	3.000%	310,000.00	100.000%	310,000.00
06/01/2020	Term 2 Coupon	4.000%	4.000%	190,000.00	100.000%	190,000.00
06/01/2023	Term 3 Coupon	4.500%	4.500%	315,000.00	100.000%	315,000.00
06/01/2025	Term 4 Coupon	4.750%	4.750%	235,000.00	100.000%	235,000.00
06/01/2028	Term 5 Coupon	5.000%	5.000%	395,000.00	100.000%	395,000.00
Total	-	-	-	**$1,445,000.00**	-	**$1,445,000.00**

Bid Information

Par Amount of Bonds	$1,445,000.00
Gross Production	$1,445,000.00
Total Underwriter's Discount (1.625%)	$(23,481.25)
Bid (98.375%)	1,421,518.75
Total Purchase Price	$1,421,518.75
Bond Year Dollars	$11,431.93
Average Life	7.911 Years
Average Coupon	4.6349919%
Net Interest Cost (NIC)	4.8403925%
True Interest Cost (TIC)	4.8594944%

Crews & Associates, Inc.
Capital Markets Group

Final

$1,445,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014D (Taxable)

Current Refunding Escrow

Date	Principal	Rate	Receipts	Disbursements	Cash Balance
06/01/2015	1,486,162.50	-	1,486,162.50	1,486,162.50	-
Total	**$1,486,162.50**	-	**$1,486,162.50**	**$1,486,162.50**	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	GIC
Default investment yield target	Unrestricted
Cost of Investments Purchased with Bond Proceeds	1,486,162.50
Total Cost of Investments	$1,486,162.50
Target Cost of Investments at bond yield	$1,481,052.15
Yield to Receipt	-3.81E-12
Yield for Arbitrage Purposes	4.0403900%

Crews & Associates, Inc.
Capital Markets Group

Final

$1,830,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 (Taxable)

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
10/31/2014	-	-	-	-	-	-	-
12/01/2014	1,435,000.00	51,162.50	1,486,162.50	-	-	51,162.50	51,162.50
06/01/2015	-	-	-	65,000.00	6.750%	51,162.50	116,162.50
12/01/2015	-	-	-	-	-	48,968.75	48,968.75
06/01/2016	-	-	-	70,000.00	6.750%	48,968.75	118,968.75
12/01/2016	-	-	-	-	-	46,606.25	46,606.25
06/01/2017	-	-	-	70,000.00	7.000%	46,606.25	116,606.25
12/01/2017	-	-	-	-	-	44,156.25	44,156.25
06/01/2018	-	-	-	75,000.00	7.000%	44,156.25	119,156.25
12/01/2018	-	-	-	-	-	41,531.25	41,531.25
06/01/2019	-	-	-	85,000.00	7.000%	41,531.25	126,531.25
12/01/2019	-	-	-	-	-	38,556.25	38,556.25
06/01/2020	-	-	-	90,000.00	7.000%	38,556.25	128,556.25
12/01/2020	-	-	-	-	-	35,406.25	35,406.25
06/01/2021	-	-	-	95,000.00	7.000%	35,406.25	130,406.25
12/01/2021	-	-	-	-	-	32,081.25	32,081.25
06/01/2022	-	-	-	100,000.00	7.250%	32,081.25	132,081.25
12/01/2022	-	-	-	-	-	28,456.25	28,456.25
06/01/2023	-	-	-	110,000.00	7.250%	28,456.25	138,456.25
12/01/2023	-	-	-	-	-	24,468.75	24,468.75
06/01/2024	-	-	-	115,000.00	7.250%	24,468.75	139,468.75
12/01/2024	-	-	-	-	-	20,300.00	20,300.00
06/01/2025	-	-	-	125,000.00	7.250%	20,300.00	145,300.00
12/01/2025	-	-	-	-	-	15,768.75	15,768.75
06/01/2026	-	-	-	135,000.00	7.250%	15,768.75	150,768.75
12/01/2026	-	-	-	-	-	10,875.00	10,875.00
06/01/2027	-	-	-	145,000.00	7.250%	10,875.00	155,875.00
12/01/2027	-	-	-	-	-	5,618.75	5,618.75
06/01/2028	-	-	-	155,000.00	7.250%	5,618.75	160,618.75
Total	**$1,435,000.00**	**$51,162.50**	**$1,486,162.50**	**$1,435,000.00**	**-**	**$887,912.50**	**$2,322,912.50**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	10/31/2014
Average Life	8.182 Years
Average Coupon	7.2017402%
Weighted Average Maturity (Par Basis)	8.182 Years

Refunding Bond Information

Refunding Dated Date	10/31/2014
Refunding Delivery Date	10/31/2014

Crews & Associates, Inc.
Capital Markets Group

Final

$1,445,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014D (Taxable)

Summary Of Bonds Refunded

Issue	Maturity	Type of Bond	Coupon	Maturity Value	Call Date	Call Price
Dated 1/01/2006 | Delivered 1/01/2006						
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2015	Term 2 Coupon	6.750%	65,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2016	Term 2 Coupon	6.750%	70,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2017	Term 3 Coupon	7.000%	70,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2018	Term 3 Coupon	7.000%	75,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2019	Term 3 Coupon	7.000%	85,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2020	Term 3 Coupon	7.000%	90,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2021	Term 3 Coupon	7.000%	95,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2022	Term 4 Coupon	7.250%	100,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2023	Term 4 Coupon	7.250%	110,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2024	Term 4 Coupon	7.250%	115,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2025	Term 4 Coupon	7.250%	125,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2026	Term 4 Coupon	7.250%	135,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2027	Term 4 Coupon	7.250%	145,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 A (Taxable)	06/01/2028	Term 4 Coupon	7.250%	155,000	12/01/2014	100.000%
Subtotal	-		-	**$1,435,000**	-	-
Total	-		-	**$1,435,000**	-	-

Final

$1,425,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014E (BQ)

Debt Service Comparison

Date	Total P+I	DSR	Net New D/S	Old Net D/S	Savings
06/01/2015	74,464.28	-	74,464.28	85,620.75	11,156.47
06/01/2016	150,990.00	-	150,990.00	164,512.50	13,522.50
06/01/2017	149,340.00	-	149,340.00	164,525.00	15,185.00
06/01/2018	151,040.00	-	151,040.00	164,275.00	13,235.00
06/01/2019	152,590.00	-	152,590.00	163,762.50	11,172.50
06/01/2020	148,990.00	-	148,990.00	162,987.50	13,997.50
06/01/2021	150,390.00	-	150,390.00	161,950.00	11,560.00
06/01/2022	146,640.00	-	146,640.00	160,650.00	14,010.00
06/01/2023	152,890.00	-	152,890.00	164,087.50	11,197.50
06/01/2024	148,840.00	-	148,840.00	162,000.00	13,160.00
06/01/2025	144,385.00	-	144,385.00	160,000.00	15,615.00
06/01/2026	149,930.00	(142,500.00)	7,430.00	(1,797.60)	(9,227.60)
Total	**$1,720,489.28**	**(142,500.00)**	**$1,577,989.28**	**$1,712,573.15**	**$134,583.87**

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	202,211.53
Effects of changes in DSR investments	(13,870.24)
Net PV Cashflow Savings @ 4.040%(Bond Yield)	188,341.29
Transfers from Prior Issue Debt Service Fund	(78,166.75)
Net Present Value Benefit	$110,174.54
Net PV Benefit / $1,435,000 Refunded Principal	7.678%
Net PV Benefit / $1,425,000 Refunding Principal	7.732%

Refunding Bond Information

Refunding Dated Date	10/31/2014
Refunding Delivery Date	10/31/2014

Final

$1,425,000

City of Charles Town, West Virginia

Combined Waterworks and Sewerage System Revenue Bonds

Series 2014E (BQ)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	Net New D/S	Fiscal Total
10/31/2014	-	-	-	-	-	-	-
06/01/2015	50,000.00	1.500%	24,464.28	74,464.28	-	74,464.28	-
12/01/2015	-	-	20,495.00	20,495.00	-	20,495.00	94,959.28
06/01/2016	110,000.00	1.500%	20,495.00	130,495.00	-	130,495.00	-
12/01/2016	-	-	19,670.00	19,670.00	-	19,670.00	150,165.00
06/01/2017	110,000.00	3.000%	19,670.00	129,670.00	-	129,670.00	-
12/01/2017	-	-	18,020.00	18,020.00	-	18,020.00	147,690.00
06/01/2018	115,000.00	3.000%	18,020.00	133,020.00	-	133,020.00	-
12/01/2018	-	-	16,295.00	16,295.00	-	16,295.00	149,315.00
06/01/2019	120,000.00	3.000%	16,295.00	136,295.00	-	136,295.00	-
12/01/2019	-	-	14,495.00	14,495.00	-	14,495.00	150,790.00
06/01/2020	120,000.00	3.000%	14,495.00	134,495.00	-	134,495.00	-
12/01/2020	-	-	12,695.00	12,695.00	-	12,695.00	147,190.00
06/01/2021	125,000.00	3.000%	12,695.00	137,695.00	-	137,695.00	-
12/01/2021	-	-	10,820.00	10,820.00	-	10,820.00	148,515.00
06/01/2022	125,000.00	3.000%	10,820.00	135,820.00	-	135,820.00	-
12/01/2022	-	-	8,945.00	8,945.00	-	8,945.00	144,765.00
06/01/2023	135,000.00	3.000%	8,945.00	143,945.00	-	143,945.00	-
12/01/2023	-	-	6,920.00	6,920.00	-	6,920.00	150,865.00
06/01/2024	135,000.00	3.300%	6,920.00	141,920.00	-	141,920.00	-
12/01/2024	-	-	4,692.50	4,692.50	-	4,692.50	146,612.50
06/01/2025	135,000.00	3.300%	4,692.50	139,692.50	-	139,692.50	-
12/01/2025	-	-	2,465.00	2,465.00	-	2,465.00	142,157.50
06/01/2026	145,000.00	3.400%	2,465.00	147,465.00	(142,500.00)	4,965.00	-
12/01/2026	-	-	-	-	-	-	4,965.00
Total	**$1,425,000.00**	-	**$295,489.28**	**$1,720,489.28**	**(142,500.00)**	**$1,577,989.28**	-

Final

$1,425,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014E (BQ)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
06/01/2016	Term 1 Coupon	1.500%	1.500%	160,000.00	100.000%	160,000.00
06/01/2017	Serial Coupon	3.000%	2.000%	110,000.00	102.504%	112,754.40
06/01/2018	Serial Coupon	3.000%	2.200%	115,000.00	102.740%	118,151.00
06/01/2019	Serial Coupon	3.000%	2.450%	120,000.00	102.369%	122,842.80
06/01/2020	Serial Coupon	3.000%	2.700%	120,000.00	101.543%	121,851.60
06/01/2021	Serial Coupon	3.000%	3.000%	125,000.00	100.000%	125,000.00
06/01/2022	Serial Coupon	3.000%	3.100%	125,000.00	99.327%	124,158.75
06/01/2023	Serial Coupon	3.000%	3.200%	135,000.00	98.507%	132,984.45
06/01/2024	Serial Coupon	3.300%	3.300%	135,000.00	100.000%	135,000.00
06/01/2025	Serial Coupon	3.300%	3.400%	135,000.00	99.115%	133,805.25
06/01/2026	Serial Coupon	3.400%	3.500%	145,000.00	99.052%	143,625.40
Total	-	-	-	**$1,425,000.00**	-	**$1,430,173.65**

Bid Information

Par Amount of Bonds	$1,425,000.00
Reoffering Premium or (Discount)	5,173.65
Gross Production	$1,430,173.65
Total Underwriter's Discount (1.625%)	$(23,156.25)
Bid (98.738%)	1,407,017.40
Total Purchase Price	$1,407,017.40
Bond Year Dollars	$9,455.21
Average Life	6.635 Years
Average Coupon	3.1251483%
Net Interest Cost (NIC)	3.3153355%
True Interest Cost (TIC)	3.3337568%

Crews & Associates, Inc.
Capital Markets Group

Final

$1,425,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014E (BQ)

Current Refunding Escrow

Date	Principal	Rate	Receipts	Disbursements	Cash Balance
06/01/2015	1,471,893.75	-	1,471,893.75	1,471,893.75	-
Total	**$1,471,893.75**	-	**$1,471,893.75**	**$1,471,893.75**	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	GIC
Default investment yield target	Unrestricted
Cost of Investments Purchased with Bond Proceeds	1,471,893.75
Total Cost of Investments	$1,471,893.75
Target Cost of Investments at bond yield	$1,466,832.46
Yield to Receipt	-3.72E-12
Yield for Arbitrage Purposes	4.0403900%

Final

$1,600,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 (BQ/NR)

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
10/31/2014	-	-	-	-	-	-	-
12/01/2014	1,435,000.00	36,893.75	1,471,893.75	-	-	36,893.75	36,893.75
06/01/2015	-	-	-	90,000.00	4.750%	36,893.75	126,893.75
12/01/2015	-	-	-	-	-	34,756.25	34,756.25
06/01/2016	-	-	-	95,000.00	5.250%	34,756.25	129,756.25
12/01/2016	-	-	-	-	-	32,262.50	32,262.50
06/01/2017	-	-	-	100,000.00	5.250%	32,262.50	132,262.50
12/01/2017	-	-	-	-	-	29,637.50	29,637.50
06/01/2018	-	-	-	105,000.00	5.250%	29,637.50	134,637.50
12/01/2018	-	-	-	-	-	26,881.25	26,881.25
06/01/2019	-	-	-	110,000.00	5.250%	26,881.25	136,881.25
12/01/2019	-	-	-	-	-	23,993.75	23,993.75
06/01/2020	-	-	-	115,000.00	5.250%	23,993.75	138,993.75
12/01/2020	-	-	-	-	-	20,975.00	20,975.00
06/01/2021	-	-	-	120,000.00	5.250%	20,975.00	140,975.00
12/01/2021	-	-	-	-	-	17,825.00	17,825.00
06/01/2022	-	-	-	125,000.00	5.250%	17,825.00	142,825.00
12/01/2022	-	-	-	-	-	14,543.75	14,543.75
06/01/2023	-	-	-	135,000.00	5.250%	14,543.75	149,543.75
12/01/2023	-	-	-	-	-	11,000.00	11,000.00
06/01/2024	-	-	-	140,000.00	5.000%	11,000.00	151,000.00
12/01/2024	-	-	-	-	-	7,500.00	7,500.00
06/01/2025	-	-	-	145,000.00	5.000%	7,500.00	152,500.00
12/01/2025	-	-	-	-	-	3,875.00	3,875.00
06/01/2026	-	-	-	155,000.00	5.000%	3,875.00	158,875.00
Total	**$1,435,000.00**	**$36,893.75**	**$1,471,893.75**	**$1,435,000.00**	**-**	**$520,287.50**	**$1,955,287.50**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	10/31/2014
Average Life	6.659 Years
Average Coupon	5.1249907%
Weighted Average Maturity (Par Basis)	6.659 Years

Refunding Bond Information

Refunding Dated Date	10/31/2014
Refunding Delivery Date	10/31/2014

Crews & Associates, Inc.
Capital Markets Group

Final

$1,425,000

City of Charles Town, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2014E (BQ)

Summary Of Bonds Refunded

Issue	Maturity	Type of Bond	Coupon	Maturity Value	Call Date	Call Price
Dated 6/01/2012 | Delivered 6/01/2012						
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2015	Term 1 Coupon	4.750%	90,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2016	Term 2 Coupon	5.250%	95,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2017	Term 2 Coupon	5.250%	100,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2018	Term 2 Coupon	5.250%	105,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2019	Term 2 Coupon	5.250%	110,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2020	Term 2 Coupon	5.250%	115,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2021	Term 2 Coupon	5.250%	120,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2022	Term 2 Coupon	5.250%	125,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2023	Term 2 Coupon	5.250%	135,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2024	Term 3 Coupon	5.000%	140,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2025	Term 3 Coupon	5.000%	145,000	12/01/2014	100.000%
CHARLES TOWN W&S SERIES 2006 B (BQ/NR)	06/01/2026	Term 3 Coupon	5.000%	155,000	12/01/2014	100.000%
Subtotal	-		-	**$1,435,000**	-	-
Total	-		-	**$1,435,000**	-	-

Crews & Associates, Inc.
Capital Markets Group