

**CITY OF MORGANTOWN
(WEST VIRGINIA)
PARKING SYSTEM REFUNDING REVENUE BONDS
SERIES 2012**

Date of Closing: December 20, 2012

16. IRS Information Return (Form 8038-G) and Letter of Transmittal
17. Municipal Bond Commission New Issue Report

OPINIONS OF COUNSEL

18. Approving Opinion of Steptoe & Johnson PLLC, Bond Counsel
19. Opinion of Stephen R. Fanok, City Solicitor

CERTIFICATES

20. General Certificate of City
21. Tax and Non-Arbitrage Certificate of City
22. Certificate of Registrar
23. Certificate of Purchaser
24. Certificate of Certified Public Accountants as to Debt Service Savings

DOCUMENTS RELATING TO REFUNDING OF PRIOR BONDS

25. Prepayment Agreement
26. Notice of Redemption to Paying Agent
27. Redemption Notice to Bondholder
28. Receipt and Release

MISCELLANEOUS DOCUMENTS

29. Registrar's Agreement
30. Acceptance of Appointment of Depository Bank
31. Bank Commitment Letter
32. Bank Investment Letter
33. Disbursement Request
34. Closing Memorandum

CITY OF MORGANTOWN

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING PARKING REVENUE BONDS, SERIES 2002 AND FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF PARKING SYSTEM REFUNDING REVENUE BONDS, SERIES 2012, OF THE ISSUER IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,500,000; 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 CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS IN CONNECTION THEREWITH; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ENACTING OTHER PROVISIONS WITH RESPECT THERETO.

WHEREAS, the City of Morgantown (the "Issuer" or the "City") presently owns and/or operates through the Morgantown Parking Authority (the "Authority") certain on-street and off-street public motor vehicle parking facilities within the City of Morgantown consisting of parking lots, buildings, ramps, curb-line parking meters and other facilities necessary, appropriate, useful, convenient or incidental to the regulation and control and parking of motor vehicles (the "System");

WHEREAS, the Issuer has heretofore financed the acquisition and construction of the System and certain additions, betterments and improvements thereto through the issuance of series of bonds or refunding bonds, of which the Issuer's Parking Revenue Bonds are presently outstanding;

WHEREAS, under the provisions of Chapter 8, Article 16 of the Code of West Virginia, 1931, as amended (the "Revenue Bond Act"), the Issuer is authorized and empowered to issue revenue bonds to finance all or a portion of the costs of acquisition, construction and equipping of new public works, including motor vehicle parking facilities and, under the provisions of Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (the "Refunding Act" and along with the Revenue Bond Act, the "Act"), the Issuer is authorized and empowered to issue refunding revenue bonds for the purpose of refunding, paying or discharging all or any part of its outstanding revenue bonds, including interest thereon;

WHEREAS, the Issuer has determined and hereby determines that present value debt service savings would result from the Issuer's refunding of its outstanding Parking Revenue Bonds, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000 (the "Series 2002 Bonds") and a fixed rate of interest can be obtained for the new bonds;

WHEREAS, the Issuer has determined that it is in the best interests of the inhabitants of the City and other users of the System to currently refund its outstanding Series 2002 Bonds;

WHEREAS, the Issuer has determined that the aforementioned refunding of the Series 2002 Bonds should be financed with the proceeds from the issuance of the City's Parking System Refunding Revenue Bonds, Series 2012, in the original aggregate principal amount of not more than \$5,500,000 (the

“Bonds”), such Bonds to be secured by and payable from the Net Revenues (as hereinafter defined) of the System;

WHEREAS, an Official Statement (the “Official Statement”) may be used with respect to the offering and sale of the Bonds; and

WHEREAS, the Issuer has determined and hereby determines that it is in the best interests of the residents of the City that its 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 COMMON COUNCIL OF THE CITY OF MORGANTOWN HEREBY ORDAINS:

ARTICLE I

DEFINITIONS, STATUTORY AUTHORITY AND 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 16 of the West Virginia Code of 1931, as amended and in effect on the date of delivery of the Bonds, together with Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended and in effect on the date of delivery of the Bonds.

“Additional Bonds” means bonds other than the Bonds, which may be subsequently issued by the Issuer on a parity with the Bonds, subject to the conditions and restrictions set forth in Section 7.08, hereof.

“Authority” means the Morgantown Parking Authority and any successor to its functions.

“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 City of Morgantown or any other officer of such City specifically designated by ordinance or resolution of the Council of the City as such.

“Bond 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” means an attorney or firm of attorneys nationally recognized as expert in matters relating to the issuance of tax-exempt bonds, and initially means Steptoe & Johnson PLLC, Morgantown, West Virginia.

“Bondholder,” “Registered Owner,” “Holder of the Bonds” or any similar term means initially, the Original Purchaser, and thereafter, any person who shall be the registered owner of any Bond or Bonds.

“Bond Register” means the books of the Issuer maintained by the Registrar for the purpose of registering Bonds and the transfer of Bonds.

“Bonds” means the not to exceed \$5,500,000 maximum aggregate principal amount of Parking System Refunding Revenue Bonds, Series 2012, of the Issuer to be issued pursuant to this Ordinance.

“Bond Year” means the Fiscal Year, except that the first Bond Year shall begin on the Closing Date.

“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 Bonds, in substantially the form set forth in EXHIBIT A - BOND FORM hereto.

“Certificate of Determinations” means the Certificate of Determinations, dated as of the Bond Purchase Agreement, executed and delivered by the Issuer, approving the final terms of the Bonds, approving final appointments as described herein, approving certain documents related to the financing and approving other matters related to the financing as described herein.

“City” or “Issuer” means the City of Morgantown, a municipal corporation of the State of West Virginia, in Monongalia County thereof, and, where appropriate, the Council, the Authority and any successor thereto.

“City Clerk” means the City Clerk of the Issuer duly appointed and serving from time to time.

“City Manager” means the City Manager of the Issuer duly appointed and serving from time to time.

“Closing Date” means the date upon which there is an exchange of the 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.

“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 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.

“County” means the County of Monongalia, State of West Virginia.

“Debt Service” means the scheduled amount of interest and amortization of principal payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to

principal which has been retired before the beginning of such period, assuming for purposes of any coverage requirement, that the interest rate on the Bonds is equal to the Initial Rate.

“Defeasance Obligations” means Government Obligations.

“Depository Bank” means the bank or national banking association, eligible under the laws of the State of West Virginia to receive deposits of state and municipal funds and insured by the FDIC to be named in the Certificate of Determinations or 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 2012 Bonds, meeting the qualifications prescribed by DTC.

“Determination of Taxability” means the interest on the Bonds in whole or in part is included in the gross income of a holder (or former holder) for federal income tax purposes for any reason, the determination of which is manifested by (a) a statutory Notice of Deficiency (90-day letter) from the Internal Revenue Service proposing to include such interest in the income of a holder (or former holder), or (b) delivery to the Registrar or Issuer of an opinion of Bond Counsel acceptable to the Registrar to the effect that (i) as a result of a change in the federal tax laws after the date of the issuance of the Bonds such interest on obligations of the general character of the Bonds will be included in whole or in part in the gross income of the holders thereof (for the purposes of this paragraph, such interest becomes subject to federal income taxation when the President of the United States of America signs such legislation) or (ii) that for any other reason, interest on the Bonds, in whole or in part, is included in the gross income of a holder or former holder of the Bonds; provided, however, no Determination of Taxability shall be deemed to exist if the Issuer shall, within 30 days after such assertion of taxability, cause to be delivered to the Registrar an unqualified opinion of Bond Counsel reasonably acceptable to the holder or former holder to the effect that interest on the Bonds has been and continues to be excludable from gross income for federal income tax purposes, then such holder or former holder shall at the expense of the Issuer contest such assertion of taxability by appropriate administrative proceedings through the Internal Revenue Service Appeals Office, whose determination as to taxability shall be final and binding and upon such determination by the Internal Revenue Service Appeals Office a Determination of Taxability shall be deemed to exist. In any such contest the holder or former holder shall cooperate with the Issuer and toward that end shall (a) give prompt notice of any such assertion and (b) permit the Issuer or its representatives to meet with the representatives of the holder or former holder dealing with the Internal Revenue Service to discuss the issues involved.

“Event of Default” means any occurrence or event specified in Section 7.01 hereof.

“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.

“Government Obligations” means direct and general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury), for the payment of which the full faith and credit of the United States of America is pledged.

“Gross Revenues” means the aggregate gross operating and non-operating revenues of the System, including all revenues, fees and fines derived from all on-street metered parking spaces and all off-street metered or unmetered parking lots, parking garages and other off-street public parking facilities owned, leased or otherwise operated by or for the City or the Authority, now existing or hereafter acquired, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts; provided, that “Gross Revenues” does not include the revenues derived from any gains from the sale or other disposition of, or from any increase in the value of, capital assets or any fee or charge levied and collected for the furnishing by the Issuer of miscellaneous services.

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

“Initial Rate” means the rate of interest on the Bonds determined to be applicable on the Closing Date.

“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 interest rate on the Bonds is equal to the Initial Rate.

“Mayor” means the Mayor of the Issuer.

“Net Proceeds” means the face amount of the Series 2012 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds deposited in the 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 Bonds, without regard to whether or not such investment is made in tax exempt obligations.

“Net Revenues” means Gross Revenues less Operating Expenses, as hereinafter defined.

“Nonpurpose Investment” means any Investment Property which is acquired with the gross proceeds of the Bonds and is not acquired in order to carry out the governmental purpose of the 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; provided, that “Operating Expenses” does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds or any Additional Bonds, charges for depreciation, losses from the sale or other disposition of or any decrease in the value of capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

“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” or “Purchaser” means Crews & Associates, Inc., Morgantown, West Virginia.

“Outstanding,” when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being delivered except (a) any 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); and (b) any Bond deemed to have been paid as provided in Article X hereof.

“Paying Agent” means the Bond Commission, or its successor.

“Person” means an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, a government body, any other political subdivision, municipality or any other group or entity.

“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 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 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 Bonds are privately placed, the price paid by the first buyer of the 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 Bonds for acquisition thereof, or if later, on the date that Investment Property constituting a Nonpurpose Investment becomes a Nonpurpose Investment of the Bonds.

“Qualified Investments” means and includes the investments set forth in the Certificate of Determinations and designated as such.

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

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

“Recording Officer,” “Recorder” or “Clerk” means the City Clerk of the Issuer.

“Redemption Date” means the date fixed for prepayment or redemption of any of the Bonds or Additional Bonds subject to prepayment or redemption in any notice of prepayment or 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 affect such redemption.

“Registrar” or “Bond Registrar” means the bank so designated as registrar for the Bonds by the Certificate of Determinations.

“Regulations” means temporary and permanent regulations promulgated under the Code.

“Renewal and Replacement Fund” means the Renewal and Replacement Fund created pursuant to Section 5.01, hereof.

“Reserve Account” means the Reserve Account created pursuant to Section 5.02 hereof.

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

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

“Series 2002 Bonds” means the Issuer’s Parking Revenue Bonds, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000.

“Sinking Fund” means the Sinking Fund created by Section 5.02 hereof.

“State” means the State of West Virginia.

“Surplus Revenues” means the Net 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 Bonds.

“System” means the complete properties, facilities and equipment owned, leased or operated by the Issuer or the Authority, available for the purpose of providing on-street and off-street public motor vehicle parking spaces and facilities within the boundaries of the City, in its entirety or any integral part thereof, and shall include the existing on-street metered parking spaces and off-street motor vehicle parking facilities of the

Issuer, and any further additions, betterments and improvements thereto hereafter constructed or acquired for said System from any sources whatsoever.

“Term Bonds” means Bonds subject to mandatory sinking fund redemption, as described by Section 3.06 hereof.

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.

Words importing singular number include the plural number in each case and vice versa; words importing the masculine gender include every other gender; and words importing persons include firms, partnerships, associations and corporations.

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 the law.

Section 1.03. Findings. It is hereby found, determined and declared as follows:

A. The Issuer is a municipal corporation of the State of West Virginia, in Monongalia County of said State.

B. The Issuer now owns and operates through the Authority, the System, the acquisition and construction of which has been financed or refinanced pursuant to the issuance of bonds or refunding bonds.

C. The Issuer has determined that present value debt service savings will result from the refunding of its Outstanding Series 2002 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 2002 Bonds.

D. It is deemed necessary for the Issuer to issue its Parking System Refunding Revenue Bonds, Series 2012, in the original aggregate principal amount of not more than \$5,500,000, in order to repay in full the remaining principal balance of and all accrued interest on the Series 2002 Bonds. The proceeds of the Bonds may also be applied to funding the Bonds Reserve Account and the payment of underwriter’s discount; legal expenses; expenses for estimates of costs and Issuer 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 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 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 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 Certificate of Determinations of the Issuer.

F. After refunding the Series 2002 Bonds, there will be no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

G. The Issuer intends to issue the Bonds and to pledge for payment thereof, the Net Revenues of the System.

H. The period of usefulness of the System is not less than 25 years.

I. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient to provide for the repair, maintenance and operation of the System, the payment of the principal of and interest on all Bonds issued hereunder and all payments into the Series 2012 Bonds Sinking Fund and the Renewal and Replacement Fund, as hereinafter provided, and to make all other payments provided for in this Ordinance.

J. It is in the best interest of the Issuer, and the residents thereof, that the Issuer issue the Bonds and secure the Bonds by a pledge of the Net Revenues derived from the operation of the System, and all the moneys in the Sinking Fund as further set forth herein.

K. The Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the forms set forth in EXHIBIT A - BOND FORM attached hereto and incorporated herein by reference, with necessary and appropriate variations, omissions and insertions as permitted or required by this Ordinance, the Certificate of Determinations or a supplemental resolution or as deemed necessary by the Registrar or the Issuer.

L. All things necessary to make the 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, to validly pledge those funds pledged hereby to the payment of the principal of and interest on the Bonds, and to comply with the provisions imposed by the Act upon the issuance of the Bonds have been timely met, done and duly performed.

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

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the 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 Bondholders and Noteholders, 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 Holders of any and all of such Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF REFUNDING

Section 2.01. Authorization of Refunding. All Series 2002 Bonds Outstanding as of the date of issuance of the Bonds and all unpaid interest accrued thereon, if any, are hereby ordered to be refunded and paid in full and the pledge of Net Revenues in favor of the Registered Owners of the Series 2002 Bonds imposed by the prior ordinance authorizing the issuance of the Series 2002 Bonds, the monies in the funds and accounts created by the prior ordinances pledged to payment of the Series 2002 Bonds, and any other funds pledged by the prior ordinances to payment of the Series 2002 Refunding Bonds are hereby ordered terminated, discharged and released upon such payment to the Registered Owners of the Series 2002 Bonds. Contemporaneously with the payment in full of the Series 2002 Bonds, the amounts on deposit in the sinking fund, and all other funds and accounts created and maintained on behalf of the Series 2002 Bonds, shall be released from the lien created by the prior ordinance authorizing the issuance of the Series 2002 Bonds.

ARTICLE III

THE BONDS

Section 3.01. Form and Payment of Bonds. No Bond shall be issued pursuant to this Ordinance except as provided in this Article III. Any Bonds issued pursuant to this Ordinance may be issued only as fully registered 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 Certificate of Determinations). All Bonds shall be dated as of the date provided in the Certificate of Determinations applicable to such series. All 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 Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Bonds surrendered.

The principal of and the premium, if any, on the 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 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 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 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 Bond in the principal amount of said Bond then Outstanding.

Section 3.02. Execution of Bonds. The Bonds shall be executed in the name of the Issuer by the Mayor and City Manager, by his or her 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 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 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 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 BOND attached hereto and incorporated herein by reference with respect to such respective 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 Bond has been authenticated, registered and delivered under this Ordinance. The Certificate of Authentication and Registration on any 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 Bonds issued hereunder.

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

So long as any of the Bonds remain Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Bonds. The 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 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, 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 Bond is exercised, Bonds shall be delivered in accordance with the provisions of this Ordinance. All Bonds surrendered in any such transfer or exchange shall forthwith be canceled by the Registrar. Transfers of Bonds, the initial exchange of 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 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 Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any 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 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 Revenue Fund and into the Bonds Redemption Account in accordance with Subsection 5.03(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 Certificate of Determinations 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 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 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 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 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 Bonds or portions of such Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the 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 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 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 7.17) 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. For the purposes of paying in full the entire outstanding principal of and all accrued interest on the Series 2002 Bonds, funding the Bonds Reserve Account and paying costs of issuance of the Bonds and related costs, there shall be issued the Bonds of the Issuer, in an aggregate principal amount of not more than \$5,500,000. The Bonds shall be designated the "City of Morgantown (West Virginia) Parking System Refunding Revenue Bonds, Series 2012" 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 Certificate of Determinations), not exceeding the aggregate principal amount of Bonds maturing in the year of maturity for which the denomination is to be specified. The Bonds shall be numbered from R-1 consecutively upward. The 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 not exceeding the then legally permissible maturity 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 Certificate of Determinations. The distribution of the Official Statement, the form of which will be approved in the Certificate of Determinations, with respect to the Bonds is hereby ratified and confirmed.

Section 3.11. Book Entry System for Bonds. The 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 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 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 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 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 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 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 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 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 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 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 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 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 Bonds. The Issuer shall execute and deliver the Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the 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 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 Bonds to DTC for the benefit of the Original Purchaser;
- (3) Copies of this Ordinance and the Certificate of Determinations certified by the Clerk;
- (4) The unqualified approving opinion of Bond Counsel regarding the Bonds; and
- (5) A copy of such other documents and certificates as the Original Purchaser may reasonably require.

Section 3.13. Form of Bonds. The definitive Bonds shall be in substantially the form set forth in EXHIBIT A - BOND FORM attached hereto and incorporated herein by reference, with such necessary and appropriate omissions, insertions and variations as are approved by those officers executing such Bonds on behalf of the Issuer and execution thereof by such officers shall constitute conclusive evidence of such approval, and the definitive 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 Bonds. Upon the issuance and delivery of the Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

1. All interest accrued on Bonds, if any, from the date thereof to the date of delivery thereof shall be deposited in the Bonds Sinking Fund and applied to payment of interest on the Bonds at the first interest payment date.
2. An amount of the proceeds of the Bonds equal to the amount, if any, set forth in the Certificate of Determinations shall be remitted to the Bond Commission for deposit in the Bonds Reserve Account.

3. An amount of the proceeds of the Bonds equal to the entire outstanding principal of and all accrued interest on the Series 2002 Bonds as set forth in the Certificate of Determinations shall be remitted to the Bond Commission to pay the Series 2002 Bonds in full.

4. An amount of Bond proceeds which, together with other monies or securities deposited therein, shall be equal to the Costs of Issuance of the 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 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 Bonds, such unapplied proceeds shall be transferred by the Issuer to the Bonds Sinking Fund established in Section 5.01 hereof and applied to the next ensuing payment of interest on the 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 Bonds from which such proceeds are derived.

ARTICLE IV

[Reserved]

ARTICLE V

SYSTEM REVENUES; FUNDS AND ACCOUNTS

Section 5.01. Establishment of Funds and Accounts with Depository Bank. Pursuant to this Article V, the following special funds are created with, 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, (except as set forth in this Section 5.01) and used solely for the purposes provided herein:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund;
- (3) Cost of Issuance Fund; and
- (4) Rebate Fund.

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

- (1) Sinking Fund, and
- (2) Within the Sinking Fund, the Reserve Account and Redemption Account.

Section 5.03. System Revenues and Application Thereof. So long as any of the Bonds shall be Outstanding and unpaid, the Issuer covenants as follows:

A. The Gross Revenues 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 Gross 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, each month, pay from the Revenue Fund the current Operating Expenses of the System.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission commencing 7 months prior to the first interest payment date of the Bonds, for deposit in the Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the 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 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 Bonds Sinking Fund shall be reduced by the amount of accrued interest on the Bonds deposited therein, and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Bonds Sinking Fund.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission commencing 13 months prior to the first principal payment date or mandatory Redemption Date of the Bonds, for deposit in the Bonds Sinking Fund and in the 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 Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the 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 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 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 Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph.

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

Reserve Account shall be used only for the purpose of paying principal of and interest on the Bonds when the funds on deposit in the Bonds Sinking Fund are insufficient therefore, and for no other purpose. Pending such use, such moneys shall be invested in accordance with Article VI.

The Issuer shall not be required to make any further payments into the Bonds Sinking Fund when the aggregate amount of funds therein, including the Bonds Reserve Account therein, is at least equal to the aggregate principal amount of 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 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 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.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission commencing 13 months prior to the first date of payment of principal of the Bonds, if not fully funded upon issuance of the Bonds, for deposit in the Bonds Reserve Account, an amount equal to 1/120th of the Bonds Reserve Requirement; provided that, no further payments shall be made into the 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 Bonds Reserve Requirement, and thereafter the Issuer shall deposit in the Bonds Reserve Account, an amount sufficient to remedy any decrease in value of the Bonds Reserve Account below the Bonds Reserve Requirement or any withdrawal from the Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the 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 Bonds Reserve Account is less than the Bonds Reserve Requirement, or (b) any amount is withdrawn from the Bonds Reserve Account for deposit into the Bonds Sinking Fund. To the extent Net 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 Reserve Account to an amount equal to the Bonds Reserve Requirement to the full extent that such Net Revenues are available; provided however, that if the shortfall in the 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 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 Bonds Reserve Account whenever and as long as the amount on deposit therein shall be equal to the Bonds Reserve Requirement.

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

(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, a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VI hereof. 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") for any lawful purpose of the System.

B. The Bond Commission is hereby designated as the fiscal agent for the administration of the Sinking Fund created hereunder, and all amounts required for the Sinking Fund shall be remitted to the Bond Commission from the Revenue Fund and from the proceeds of the sale of the Bonds by the Issuer at the times 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 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, and the Net 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 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.

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

ARTICLE VI

INVESTMENTS; NON-ARBITRAGE REBATES AND CONTINUING DISCLOSURE CERTIFICATE

Section 6.01. 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 Net Revenues after required deposits to the applicable Sinking Fund and otherwise in accordance with Section 5.03(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 6.02. Arbitrage. The Issuer covenants that (i) it will restrict the use of the proceeds of the Bonds in such manner and to such extent as may be necessary, so that such 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 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 6.03. 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 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 6.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 6.03 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 6.04. 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 VII

GENERAL COVENANTS AND PROVISIONS

Section 7.01. 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 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 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 said Bonds, or the interest thereon, are Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, nor a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer or the Authority, but shall be payable solely from the Net Revenues of the System. No Holder or Holders of any Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay said Bonds or the interest thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of all of the Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the ownership or operation of the System. The Net Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Bonds herein authorized, 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 Bonds herein authorized as the same become due and for the other purposes provided in this Ordinance.

Section 7.04. Rates. Prior to the issuance of the 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 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 Bonds, and all obligations issued on a parity with the 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 7.05. 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 Gross Revenues of said System in the manner provided in this Ordinance.

Section 7.06. Sale of the System; Removal of Parking Spaces. A. 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 defease the pledge created by this Ordinance as provided by Section 11.01. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Paying Agent for payment of the Bonds. Any balance remaining after such payment shall be remitted to the Issuer by the Paying Agent unless necessary for the payment of other obligations of the Issuer payable out of the Net Revenues of the System.

B. The foregoing provision notwithstanding, the Issuer or the Authority 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 or the Authority 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 10.01, 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.

C. The Issuer or the Authority may at any time cease operation of any portion of the System and discontinue its use for public parking purposes, provided however, that if during any Fiscal Year, more than 200 parking spaces are discontinued or otherwise removed from the System, the Issuer shall first obtain from an Independent Accountant a certification to the effect that following such discontinuance or removal, the Net Revenues of the System shall be not less than 120% of Maximum Annual Debt Service.

Section 7.07. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except Additional Bonds provided for in Section 7.08 hereof, payable from the Gross Revenues or Net Revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from the Net Revenues with the 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 Bonds, being on a parity with the lien of the Bonds, and the interest thereon, upon any of the income and Revenues of the System pledged for payment of the Bonds and the interest thereon in this Ordinance or upon the System or any part thereof.

Section 7.08. Additional Bonds. No Additional Bonds, as in this section defined, payable out of the Gross Revenues or Net 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 Bonds shall be issued except for the purpose of financing the costs of the construction of additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued for the System, to pay claims which may exist against the revenues or facilities of the System or any combination of such purposes.

No such Additional 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 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 Bonds then Outstanding;
- (2) Any Additional Bonds theretofore issued pursuant to the provisions contained in this Ordinance then Outstanding; and
- (3) The Additional Bonds then proposed to be issued.

Notwithstanding the foregoing, the Issuer shall be permitted to issue bonds which refund any Outstanding Bonds or any additional parity Bonds hereafter issued 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 Bonds Outstanding after such refunding;
- (2) Any Additional Bonds theretofore issued pursuant to the provisions contained in this Ordinance which shall be Outstanding following such refunding; and
- (3) 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 Additional 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 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 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 Additional Bonds.

The term “Additional Bonds,” as used in this section, shall be deemed to mean additional bonds issued in compliance with the provisions and within the limitations of this section, payable from the Net Revenues of the System on a parity with the Bonds, and all the covenants and other provisions of this Ordinance (except as to details of such Additional Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Additional Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. All such bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Net Revenues of the System, and their source of and security for payment from said Net Revenues, without preference of any bond 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 Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Ordinance.

The term “Additional Bonds,” as used in this section, shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien on the Net Revenues of the System of which is subject to the prior and superior lien of the Bonds on such Net Revenues. Any such subordinate bonds, notes, certificates or other obligations shall be payable from the Net Revenues remaining after all payments required to be made pursuant to Section 6.03(1), (2) and (3) have first been paid. 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 Bonds except in the manner and under the conditions provided in this section.

No Additional 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 Bonds.

Section 7.09. Insurance and Bonds. The Issuer hereby covenants and agrees, that so long as the Bonds remain Outstanding, the Issuer or the Authority will, as an Operating Expense, procure, carry and maintain insurance and bonds and worker’s 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. WORKER'S 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 Authority 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 Authority 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 7.10. No Free Services to be Rendered to the Authority or Issuer. Neither the Issuer nor the Authority will render or cause to be rendered any free services of any nature by the System; and, in the event the Authority, 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 Authority, the Issuer and any such department, agency, instrumentality, officer or employee. Such charges shall be paid as they accrue, and the Authority or 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 7.11. Enforcement of Collections. The Issuer or the Authority 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 laws of the State of West Virginia.

Section 7.12. Books and Records. The Authority will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Authority or the City, 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 Authority relating thereto.

The Issuer or the Authority shall also, at least once a year, cause the books, records and accounts of the System to be completely audited by an Independent Accountant, shall mail upon request, and make

available generally, the report of said Independent Accountant, 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 7.13. Operating Budget. The Authority shall annually, at least 30 days preceding the beginning of each Fiscal Year, or at such earlier date required by the charter of the Issuer, 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 Authority 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 any Bondholder or anyone acting for and in behalf of such Bondholder who requests the same.

Section 7.14. 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 Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or interest due on the Bonds during the term thereof is, under the terms of the Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the 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 Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Bonds during the term thereof is, under the terms of the Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the 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 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the System, or if the Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System to which such Private Business Use is related.

B. **PRIVATE LOAN LIMITATION.** The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Bonds or \$5,000,000 are used, directly or indirectly, to make or finance a loan 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 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 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 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 7.15. Statutory Mortgage Lien. For the further protection of the Holders of the 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 and shall take effect immediately upon delivery of the Bonds and shall be on a parity with the statutory mortgage lien in favor of the holders of any Additional Bonds.

Section 7.17. Designation of Bonds as “Qualified Tax-Exempt Obligations”. The Issuer hereby designates the Bonds as “Qualified Tax-Exempt Obligations” for purposes of Section 265(b)(3) of the Code and covenants that the Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income taxes (excluding, however, private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2012.

ARTICLE VIII

DEFAULT AND REMEDIES

Section 8.01. Events of Default. Each of the following events shall constitute an “Event of Default” with respect to the 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 relating to the Bonds in this Ordinance or any supplemental resolution, or in the Bonds, as the case may be, 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 the Registered Owner of any Bond; or
- (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.

Section 8.02. Remedies. Upon the happening and continuance of any Event of Default, any Holder of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of the Holders of the Bonds including the right to require the Issuer to perform its duties under the Refunding Act and the Ordinance relating thereto, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Holders of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Ordinance with respect to the Bonds, or the rights of the Holders 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 8.03. 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, fines 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, fines, charges or other Revenues in conformity with the provisions of this Ordinance and the laws of the State.

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 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 Holders 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 Bondholders, 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 or the Authority, 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 8.04. Restoration of Issuer and Bondholder. In case a majority of Registered Owners 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 all Bondholders shall be restored to their

former positions and rights hereunder, and all rights and remedies of the Bondholders shall continue as if no such proceedings had been taken.

ARTICLE IX

REGISTRAR AND PAYING AGENT

Section 9.01. Appointment of Registrar. The Registrar, Paying Agent and Depository Bank (collectively, the “Fiduciaries”) for the Bonds shall be appointed and designated in the Certificate of Determinations. The Issuer is hereby authorized and directed to enter into an agreement or agreements with the Fiduciaries relating to the duties and responsibilities thereof.

Section 9.02. Responsibilities of Fiduciaries. The recitals of fact in the 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 Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication on the 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 this Section 9.01.

Section 9.03. Evidence on Which Fiduciaries May Act. Except as otherwise provided by Section 11.02, 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 9.04. 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 Bonds, the first exchange of Bonds and the exchange of Bonds in the event of partial redemption, incurred in the performance of their duties hereunder.

Section 9.05. Certain Permitted Acts. The Registrar may become the owner of or may deal in 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 Bondholders or effect or aid in any reorganization growing out of the enforcement of the Bonds or this Ordinance, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds Outstanding.

Section 9.06. 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 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 9.07. Removal. The Registrar may be removed at any time by the Issuer or by the Holders of a majority in principal amount of the Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer or by such Bondholders 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 9.08. 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 Holders of a majority in principal amount of the Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Bondholders 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 Bondholders. The Issuer shall publish in an Authorized Newspaper (or mail to each Registered Owner in the event all 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 Bondholders. 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 Bondholder 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 9.09. 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 to its successor.

Section 9.10. 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 9.08.

Section 9.11. Adoption of Authentication. In case any of the 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 Bonds so authenticated, and, in case any Bonds shall have been prepared but not authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in its own name.

Section 9.12. Paying Agent and Depository Bank. The Registrar shall also serve as the Paying Agent and Depository Bank. The Registrar's acceptance of the duties and responsibilities of the Registrar expressed in Section 9.02 shall also include the trusts and the duties of Paying Agent and Depository Bank. Any alternate or Co-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 or Co-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 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 therefor.

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 IX 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 9.08 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 X

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 10.01. 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 Bonds, the principal of and interest due or to become due thereon, then this Ordinance and the pledges of the Net 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 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 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 Bonds on and prior to the maturity date

thereof, or if the Issuer irrevocably determines to redeem any of said 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 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 XI

MISCELLANEOUS

Section 11.01. 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 Bonds, provided that, in the event any of the Bonds are insured, no such amendment or modification which adversely affects the security for such Bonds or the rights of the applicable Bond Insurer for such 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 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 Bond without the express written consent of the Registered Owner of such Bond, nor reduce the percentage of Bonds required for consent to any such modification or amendment.

Section 11.02. Evidence of Signatures of Registered Owners and Ownership of 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 Bonds held by a person executing any instrument as a Registered Owner, the date of his holding such 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 11.03. 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 10.01.

Section 11.04. Cancellation of Bonds. All 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 Bonds shall be deemed Outstanding under this Ordinance and no Bonds shall be issued in lieu thereof. All such 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 11.05. Failure to Present 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 Bonds which remain unclaimed for 1 year after the date on which such 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 Bonds shall look only to the Issuer for the payment of such 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 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 11.06. 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 Morgantown
389 Spruce Street
Morgantown, West Virginia 26505
Attention: Mayor

REGISTRAR AND PAYING AGENT:

[Name and address
to be set forth in the
Certificate of Determinations]

DEPOSITORY BANK:

[Name and address
to be set forth in the
Certificate of Determinations]

ORIGINAL PURCHASERS:

Crews & Associates, Inc.
150 Clay Street
Suite 410
Morgantown, West Virginia 26501

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 11.07. 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 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 11.08. Law Applicable. The laws of the State shall govern the construction of this Ordinance and of all Bonds issued hereunder.

Section 11.09. 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 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 Bonds and the Original Purchaser.

Section 11.10. 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 11.11. 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 11.12. 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.

Section 11.13. 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 11.14. 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 Dominion Post, a newspaper published and having a general circulation in the City of Morgantown, 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 upon a date certain, not less than 10 days subsequent to the date of the first publication of the said abstract and notice, and present protests, and that a certified copy of 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.

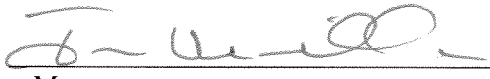
First Reading:	June 5, 2012
Second Reading:	June 19, 2012
Passed on Final Reading Following Public Hearing:	July 3, 2012

Section 11.15. Effective Date. This Ordinance shall take effect immediately upon enactment.

[Remainder of Page Intentionally Left Blank]

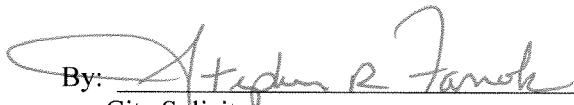
Enacted this 3rd day of July, 2012.

[SEAL]

By: 
Mayor

By: 
City Manager

APPROVED AND CORRECT AS TO FORM:

By: 
City Solicitor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF MORGANTOWN on July 3, 2012.

Dated: December 20, 2012.

[SEAL]

By: Linda L. Hunt
City Clerk

EXHIBIT A - BOND FORM

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.

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF MORGANTOWN (WEST VIRGINIA)
PARKING SYSTEM REVENUE REFUNDING BONDS,
SERIES 2012

No. R-_____ \$_____

INTEREST RATE MATURITY DATE BOND DATE CUSIP NO.

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF MORGANTOWN, 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 _____, _____, _____, 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 _____, _____, _____, 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 _____, _____.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$_____ designated "City of Morgantown (West Virginia) Parking System Refunding Revenue Bonds, Series 2012" (the "Bonds") effect, except as to number, denomination, date of maturity and interest rate, dated _____, 2012, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2002 Bonds, (ii) to fund the Series 2012 Bonds Reserve Account, and (iii) to pay certain costs of issuance of the Series 2012 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 16 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on _____, 2012, (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 Morgantown, 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.

After refunding the Series 2002 Bonds, there are no outstanding obligations of the Issuer which will rank on a parity with the Bonds as to liens, pledge, source of and security for payment.

The Bonds and the interest thereon are payable only from and are secured by the Net Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge from moneys in the Series 2012 Bonds Sinking Fund and the Series 2012 Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and 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 Net Revenues, the moneys in the Series 2012 Bonds Sinking Fund and the Series 2012 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. 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 2002 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 Net 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 MORGANTOWN 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.

CITY OF MORGANTOWN

[SEAL]

By: _____
Mayor

By: _____
City Manager

ATTEST:

By: _____
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: _____, _____.

_____,
as Registrar

By _____
Its Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the City of Morgantown Parking System Revenue Refunding Bond, Series 2012, in the amount of \$ _____ dated _____, 2012, and does hereby irrevocably constitute and appoint _____, attorney, to transfer said Bond on the books of the Registrar on behalf of the City with full power of substitution in the premises.

Dated: _____, _____

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.

THE CITY OF MORGANTOWN
PARKING SYSTEM REFUNDING REVENUE BONDS,
SERIES 2012

SUPPLEMENTAL PARAMETERS RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING
PARAMETERS AS TO THE PRINCIPAL
AMOUNT, DATE, MATURITY DATE, INTEREST
RATE, INTEREST AND PRINCIPAL PAYMENT
DATES AND OTHER TERMS OF THE PARKING
SYSTEM REFUNDING REVENUE BONDS,
SERIES 2012 OF THE CITY OF MORGANTOWN;
AUTHORIZING AND APPROVING THE SALE
AND DELIVERY OF SUCH BONDS TO THE
ORIGINAL PURCHASER; APPOINTING A
REGISTRAR, PAYING AGENT AND
DEPOSITORY BANK FOR SUCH BONDS;
APPROVING THE EXECUTION AND DELIVERY
OF CERTAIN DOCUMENTS RELATING TO THE
ISSUANCE OF SUCH BONDS; AND MAKING
OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, The City of Morgantown (the “Issuer” or the “City”) in the County of Monongalia, State of West Virginia, is a municipal corporation and political subdivision of said State, the governing body of which is its City Council (the “Governing Body”);

WHEREAS, the Governing Body has duly and officially enacted on July 3, 2012, an Ordinance (the “Ordinance”) entitled:

AN ORDINANCE AUTHORIZING THE REFUNDING
OF THE ISSUER’S OUTSTANDING PARKING
REVENUE BONDS, SERIES 2002 AND FINANCING
OF THE COST THEREOF, NOT OTHERWISE
PROVIDED, AND PAYING COSTS OF ISSUANCE
AND RELATED COSTS, THROUGH THE ISSUANCE
OF PARKING SYSTEM REFUNDING REVENUE
BONDS, SERIES 2012, OF THE ISSUER IN THE
AGGREGATE PRINCIPAL AMOUNT OF NOT TO

EXCEED \$5,500,000; 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 CERTIFICATE, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS IN CONNECTION THEREWITH; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ENACTING OTHER PROVISIONS WITH RESPECT 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 Parking System Refunding Revenue Bonds, Series 2012 in an aggregate principal amount not to exceed \$5,500,000 (the "Series 2012 Bonds" or "Bonds") in accordance with Chapter 8, Article 16 of the Code of West Virginia, 1931, as amended (the "Revenue Bond Act") and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (the "Refunding Act" and along with the Revenue Bond Act, the "Act");

WHEREAS, the Issuer is advised that current market conditions are such that present value debt service savings would result from the current refunding of its outstanding Parking System Revenue Bonds, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000 (the "Series 2002 Bonds") and the Issuer has determined that it is currently in the best interest of inhabitants of the City and other users of the System to currently refund the Series 2002 Bonds pursuant to the issuance of its Series 2012 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 Registrar Agreement, Tax Certificate and other documents relating to the issuance of the Series 2012 Bonds be approved and that other matters pertaining to the Bonds be provided for by a Supplemental Resolution of the Governing Body or by 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 a Certificate of Determinations;

WHEREAS, the Bonds are proposed to be purchased by United Bank, Inc. (the “Original Purchaser”), pursuant to the terms of a Commitment Letter of the Original Purchaser (the “Commitment Letter”); and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental parameters resolution (the “Supplemental Parameters Resolution”) be adopted, that the Tax and Non-Arbitrage Certificate, the Registrar Agreement and the Prepayment Agreement hereinafter provided for be entered into by the Issuer, that the Mayor and City Manager be authorized to execute and deliver such other documents as may be necessary in connection with the issuance of the Series 2012 Bonds and with the current refunding of the Series 2002 Bonds, 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 MORGANTOWN:

SECTION 1. For the purposes of (i) paying the entire outstanding principal balance of and all accrued interest on the Issuer’s outstanding Series 2002 Bonds and (ii) paying costs of issuance of the Series 2012 Bonds and related costs, the Governing Body of the Issuer hereby authorizes and orders the issuance of the Series 2012 Bonds in an aggregate principal amount not to exceed \$4,500,000, provided that the Net Present Value of the savings of such refunding shall not be less than 3.0%.

SECTION 2. 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 2012 Bonds. The Series 2012 Bonds shall be issued in the aggregate principal amount not to exceed \$4,500,000, bear interest at a rate not to exceed 3.5%, with interest and principal being repaid in semiannual amortizing installment payments, commencing approximately 7 months following the issue date of the Series 2012 Bonds, shall mature not later than December, 2023, shall be dated such date, upon original issuance, shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor and City Manager pursuant to the execution and delivery by the Mayor and City Manager of a Certificate of Determinations with respect to the Bonds, in the form attached hereto as **EXHIBIT A**, with such changes, insertions, modifications and omissions as may be approved by the Mayor and City Manager of the Issuer, the execution and delivery of such Certificate of Determinations by the Mayor and City Manager being conclusive proof of the approval of such modifications (the “Certificate of Determinations”).

SECTION 3. The form of the Series 2012 Bonds shall be substantially in the form set forth in **EXHIBIT B- Bond Form** attached hereto and made a part hereof, with such amendments, insertions, deletions and modifications as shall be approved by the Mayor and City Manager of the Issuer which approval may be established by the execution and delivery of such Series 2012 Bonds by the Mayor and City

Manager of the Issuer. The final terms of the Series 2012 Bonds shall be approved by the Mayor and City Manager pursuant to their execution and deliver of the Certificate of Determinations, which final terms shall be within the parameters set forth in Section 2 hereof. All other provisions relating to the Series 2012 Bonds shall be as provided in the Ordinance, as the same may be modified hereby.

SECTION 4. The proceeds of the Bonds shall be expended solely for the purposes set forth in the Ordinance.

SECTION 5. The Series 2012 Bonds shall be issued in Authorized Denominations of \$100,000 and any increment of \$500 in excess thereof.

SECTION 6. The second paragraph of Section 3.01 of the Ordinance shall be revised so as to read as follows:

The principal of and interest on the 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. Such payments of principal and interest on the Bonds shall be paid by check or draft of the Paying Agent 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 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; provided, however, that the final payment of the principal of and interest on the Bonds shall be made by the Paying Agent to such Registered Owner upon presentation of such Bonds to the Paying Agent for cancellation or destruction.

SECTION 7. The Series 2012 Bonds shall not be book-entry bonds registered in the name of the Depository Trust Company, but rather such Series 2012 Bonds shall be initially registered in the name of the Original Purchaser. All payments on the Bonds shall be made by the Paying Agent directly to the Registered Owner of the Bonds as of the Record Date immediately preceding such payment date. All notices required by the Ordinance to be provided to the Registered Owners of the Series 2012 Bonds shall be provided by the Issuer to the Registrar and thereupon provided by the Registrar to the Registered Owner of such Series 2012 Bonds.

SECTION 8. A Reserve Account will not be established with the Paying Agent or any other party in connection with the Series 2012 Bonds and no such Reserve Account will be funded in connection with the Series 2012 Bonds. Article V of the Ordinance is hereby revised to eliminate any reference to a Reserve Account or the funding of the same in connection with the Series 2012 Bonds.

SECTION 9. The Series 2012 Bonds will be privately placed with the Original Purchaser and such issue will be structured in such a way that SEC Rule 15c2-12 (the "Rule") will either not apply to such issuance or such issuance will

qualify for an exemption from such Rule. Thus, the Issuer will not deliver a Rule 15c2-12 Certificate in connection with the issuance of the Series 2012 Bonds and Section 6.04 of the Ordinance shall be revised to the extent inconsistent herewith.

SECTION 10. The name of the Original Purchasers of the Series 2012 Bonds and the notice address for such Original Purchasers as contained in Section 11.06 of the Ordinance shall be revised to such notice address for the Original Purchaser, United Bank, Inc., as shall be provided in the Certificate of Determinations.

SECTION 11. The Ordinance designated Crews & Associates, Inc., Morgantown, West Virginia as the proposed purchaser of the Series 2012 Bonds. Based upon a comparison of projected debt service savings and the proposed structure and terms of the Series 2012 Bonds, the Issuer now desires and does hereby designate United Bank, Inc. as the purchaser of the Series 2012 Bonds.

SECTION 12. The Issuer is advised and hereby finds that based upon the assumed principal amount, maturity schedule and interest rates for the Series 2012 Bonds presented to the Issuer by the Original Purchaser, the Series 2012 Bonds show a net present value debt service savings to the Issuer after deducting all expenses of the refunding of the Series 2002 Bonds and the costs of issuing the Series 2012 Bonds.

SECTION 13. 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 as shall be approved pursuant to the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Tax Certificate in the form to be approved pursuant to the Certificate of Determinations with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Tax Certificate by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

SECTION 14. The Registrar Agreement, to be dated the date of execution and delivery of the Bonds, by and between the Issuer and the Registrar named herein (the "Registrar Agreement"), substantially in the form as shall be approved pursuant to the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Registrar Agreement in the form to be approved pursuant to the Certificate of Determinations with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Registrar Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

SECTION 15. The Prepayment Agreement, to be dated the date of execution and delivery of the Bonds, by and between the Issuer and the West Virginia Municipal Bond Commission (the "Prepayment Agreement"), substantially in the form as shall be approved pursuant to the Certificate of Determinations, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Prepayment Agreement in the form to be approved pursuant to the Certificate of Determinations with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Prepayment Agreement by the Mayor and City Manager 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 2012 Bonds.

SECTION 18. The Issuer hereby appoints and designates United Bank, Inc., as the Depository Bank and Registrar for the Bonds.

SECTION 19. The Mayor, City Manager 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.

SECTION 20. The notice addresses for the Depository Bank, Paying Agent, Registrar and Original Purchaser shall be set forth and provided in the Certificate of Determinations.

SECTION 21. 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 22. The Issuer hereby covenants and agrees that it will not permit at any time or times any of the proceeds of the Series 2012 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 2012 Bonds to be an "arbitrage bond" as defined in Section 148 of the Code, and the regulations promulgated pursuant thereto. The Mayor and City Manager of the Issuer are 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 23. The Mayor, City Manager 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 2012 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.

SECTION 24. This Supplemental Parameters Resolution shall be effective immediately following adoption hereof.

[Remainder of Page Intentionally Left Blank]

Adopted this 5th day of November, 2012.

THE CITY OF MORGANTOWN

[SEAL]

By: 

Its: Mayor

By: 

Its: City Manager

Attest:



City Clerk

CERTIFICATION

Certified a true copy of a Supplemental Parameters Resolution duly adopted by the City Council of THE CITY OF MORGANTOWN on November 5, 2012, which Supplemental Parameters Resolution has not been repealed, rescinded, modified, amended or revoked, as of the date hereof.

Dated this 20th day of December, 2012.

By: Linda L. Little
City Clerk

627490.00046

6120115

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

THE CITY OF MORGANTOWN PARKING SYSTEM REFUNDING REVENUE BONDS, SERIES 2012

CERTIFICATE OF DETERMINATIONS

The undersigned, James Manilla, Mayor, and the undersigned Terrence R. Moore, City Manager, of The City of Morgantown (the "Issuer"), in accordance with the Supplemental Parameters Resolution adopted by the Governing Body of the Issuer on _____, 2012 (the "Supplemental Parameters Resolution"), with respect to the Issuer's Parking System Refunding Revenue Bonds, Series 2012 (the "Series 2012 Bonds"), hereby finds and determines as follows:

1. The Series 2012 Bonds shall be issued in the original aggregate principal amount of \$_____, shall be dated _____, 2012, shall bear interest at the fixed annual percentage rate of _____%, and the principal of and interest on the Series 2012 Bonds shall be payable in _____ equal amortizing semi- annual installment payments in the amount of \$_____, commencing on _____ 1, 2013, and continuing on each _____ 1 and _____ 1 to and including _____ 1, 20____, which shall be the maturity date of the Series 2012 Bonds (the "Maturity Date"), at which time all principal of and interest on the Series 2012 Bonds not theretofore paid shall become due and payable.
2. The interest rate on the Series 2012 Bonds does not exceed 3.5%, being the maximum interest rate authorized by the Supplemental Parameters Resolution. The Net Present Value of the savings realized from such refunding is not less than 3.0%, which is the minimum savings threshold approved by the Supplemental Parameters Resolution.
3. The Series 2012 Bonds shall [not] be subject to [optional and/or mandatory] redemption as set forth on Schedule 1 attached hereto and incorporated herein.
4. The Series 2012 Bonds shall be sold to United Bank, Inc. (the "Original Purchaser"), pursuant to the terms of a Commitment Letter which has been delivered by the Original Purchaser to the Issuer.

5. The Series 2012 Bonds shall be initially issued in the form of one bond, numbered R-1, in the original aggregate principal amount of \$_____, the entire principal amount of which shall initially be registered in the Bond Register maintained by the Registrar in the name of the Original Purchaser.
6. The Series 2012 Bonds shall be issued in authorized denominations of \$100,000 and increments of \$500 in excess thereof.
7. The Record Dates for the Series 2012 Bonds shall be _____ 15 and _____ 15 each year during the term of the Series 2012 Bonds.
8. The Ordinance provides for the designation of Qualified Investments for the proceeds of the Bonds by this Certificate of Determinations. The proceeds of the Bonds are anticipated to be expended on the issue date thereof, or within 30 days thereafter, for the current refunding of the Series 2002 Bonds and the payment of costs of issuance of the Series 2012 Bonds. To the extent that the proceeds of the Bonds are not expended on the closing date or within 30 days thereafter for their intended purposes, such proceeds may be invested in United States Government Obligations maturing at such times and amounts so as to provide funds for the current refunding of the Series 2002 Bonds or in bank Certificates of Deposit which are market priced and either insured or secured by a pledge of United States Government Obligations.
9. Proceeds of the Series 2012 Bonds in the amount of \$_____ shall be transferred on the issue date to the Paying Agent for deposit in the Series 2002 Bonds Sinking Fund for subsequent application, in combination with other funds on deposit in the Series 2002 Bonds Sinking Fund, to the current refunding and repayment in full of the Series 2002 Bonds.
10. Proceeds of the Series 2012 Bonds in the amount of \$_____ shall be transferred on the issue date to the Paying Agent in payment of the fees and costs of the Paying Agent in connection with the current refunding of the Series 2002 Bonds and issuance of the Series 2012 Bonds.
11. Proceeds of the Series 2012 Bonds in the amount of \$_____ shall be transferred on the issue date to the Depository Bank for deposit in the Costs of Issuance Fund for subsequent application by the Issuer to the payment of the Costs of Issuance of the Series 2012 Bonds.
12. There will be no Reserve Account for the Series 2012 Bonds and proceeds of the Series 2012 Bonds will not be applied to the funding of a Reserve Account.

13. The forms of the Tax and Non-Arbitrage Certificate, Registrar's Agreement and Prepayment Agreement attached hereto are hereby approved.
14. The notice addresses for the Depository Bank, Registrar, Original Purchaser and Paying Agent for the Series 2012 Bonds shall be as set forth below or as shall hereafter be designated in writing by such party to the Issuer:

REGISTRAR/DEPOSITORY BANK/ORIGINAL
PURCHASER

United Bank, Inc.

PAYING AGENT

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25302
Attn: Executive Director

15. The undersigned hereby certifies that the foregoing terms and conditions of the Series 2012 Bonds are within the parameters prescribed by the Supplemental Parameters Resolution, and the Series 2012 Bonds may be issued with such terms and conditions as authorized by the Supplemental Parameters Resolution.

(Remainder of Page Intentionally Blank)

WITNESS my signature this _____ day of _____, 2012.

THE CITY OF MORGANTOWN

By: _____
Its: Mayor

By: _____
Its: City Manger

627490.00046

6120115

SCHEDULE 1
SERIES 2012 A BOND TERMS

Redemption Provisions

[Insert]

FORM OF TAX AND NON-ARBITRAGE CERTIFICATE

[Attached Hereto]

FORM OF REGISTRAR AGREEMENT

[Attached Hereto]

FORM OF PREPAYMENT AGREEMENT

[Attached Hereto]

EXHIBIT B- BOND FORM

THIS BOND IS REGISTERED WITH THE REGISTRAR, UNITED BANK, INC., AND IS NOT REGISTERED WITH THE DEPOSITORY TRUST COMPANY, AND ANY REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT SHOULD BE SUBMITTED TO THE REGISTRAR, UNITED BANK, INC.

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS OR ANY OTHER APPLICABLE SECURITIES LAWS. NEITHER THIS BOND NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE HOLDER OF THIS BOND BY ITS ACCEPTANCE HEREOF AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY ONLY (A) TO THE ISSUER, (B) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON THE HOLDER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (C) TO A "NON U.S. PERSON" IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT, (D) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT TO AN "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501 UNDER THE SECURITIES ACT THAT IS ACQUIRING THE BOND FOR ITS OWN ACCOUNT, OR FOR THE ACCOUNT OF SUCH AN "ACCREDITED INVESTOR," FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO, OR FOR OFFER OR SALE IN CONNECTION WITH, ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUER'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO IT. THE REGISTERED OWNER OF THIS BOND ALSO AGREES THAT ALL BONDHOLDERS MUST AT ALL TIMES HOLD AN AUTHORIZED DENOMINATION OF THE SERIES 2012 BONDS, WHICH AUTHORIZED DONOMINATIONS EQUAL \$100,000 OR ANY \$1,000 INCREMENT IN EXCESS THEREOF, AND THE BONDHOLDERS AGREE TO TRANSFER NO INTEREST IN THE SERIES 2012 BONDS WHICH WOULD CAUSE A VIOLATION OF SUCH REQUIREMENT. THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF AGREES THAT IT WILL COMPLY WITH THE FOREGOING RESTRICTIONS.

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF MORGANTOWN
PARKING REFUNDING REVENUE BOND,
SERIES 2012

No. R-1

\$ _____

THE CITY OF MORGANTOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer") for value received, hereby promises to pay, solely from the special fund provided therefore, as hereinafter set forth, to the order of

- UNITED BANK, INC. -

or registered assigns (the "Registered Owner"), the principal sum of _____ and 00/100 DOLLARS (\$ _____) in lawful money of the United States of America, together with interest thereon at the fixed annual percentage rate of _____ %, from the date of this Bond, in _____ equal amortizing semi-annual installments of principal and interest in the amount of \$ _____, commencing on _____ 1, 2013, and continuing on each _____ 1 and _____ 1 thereafter occurring to and including _____ 1, 20____, which shall be the maturity date of this Bond (the "Maturity Date"), at which time all principal of and interest on this Bond not theretofore paid shall become due and payable. Interest shall be computed on the basis of a year of 365 days and for the actual number of days elapsed during any month or portion thereof.

Notwithstanding any other provision of this Bond to the contrary, in the event of a Determination of Taxability, the rate of interest on this Bond shall be equal to _____ % per annum (the "Taxable Rate"). Interest at the Taxable Rate shall commence to accrue on the Date of Taxability and such interest rate shall be charged retroactively and prospectively for all periods in which interest paid on this Bond is asserted, declared or determined to be subject to federal income taxation, and shall continue until the entire principal of and interest on this Bond is paid, notwithstanding that the entire principal amount of this Bond may have been paid in full prior to the Determination of Taxability. Any interest being past due on this Bond by reason of such increase shall become immediately due and payable. In addition, in the event of a Determination of Taxability, the Registered Owner shall be entitled to payment, on demand, of any Special Charges. Special Charges means (a) an amount equal to any penalties or interest paid to the Internal Revenue Service or to the State of West Virginia by the present and former Registered Owner resulting from the failure to include interest on this Bond in its gross income for purposes of determining its federal income tax or State income tax, plus any tax payable by them as a consequence of the receipt of such amount; plus (b) an amount equal to all reasonable administrative, out-of-pocket and other expenses incurred by the present and former Registered Owner which are directly or indirectly attributable

to interest on this Bond becoming subject to federal or State income tax as a result of the failure to include interest on this Bond in its gross income for purposes of determining its federal or state income tax, including without limitation, costs incurred by the present and former Registered Owner in amending its federal or State tax returns.

As used herein the term "Determination of Taxability" means the interest on the Bonds in whole or in part is included in the gross income of a holder (or former holder) for federal income tax purposes for any reason, the determination of which is manifested by (a) a statutory Notice of Deficiency (90-day letter) from the Internal Revenue Service proposing to include such interest in the income of a holder (or former holder), or (b) delivery to the Registrar or Issuer of an opinion of Bond Counsel acceptable to the Registrar to the effect that (i) as a result of a change in the federal tax laws after the date of the issuance of the Bonds such interest on obligations of the general character of the Bonds will be included in whole or in part in the gross income of the holders thereof (for the purposes of this paragraph, such interest becomes subject to federal income taxation when the President of the United States of America signs such legislation) or (ii) that for any other reason, interest on the Bonds, in whole or in part, is included in the gross income of a holder or former holder of the Bonds; provided, however, no Determination of Taxability shall be deemed to exist if the Issuer shall, within 30 days after such assertion of taxability, cause to be delivered to the Registrar an unqualified opinion of Bond Counsel reasonably acceptable to the holder or former holder to the effect that interest on the Bonds has been and continues to be excludable from gross income for federal income tax purposes, then such holder or former holder shall at the expense of the Issuer contest such assertion of taxability by appropriate administrative proceedings through the Internal Revenue Service Appeals Office, whose determination as to taxability shall be final and binding and upon such determination by the Internal Revenue Service Appeals Office a Determination of Taxability shall be deemed to exist. In any such contest the holder or former holder shall cooperate with the Issuer and toward that end shall (a) give prompt notice of any such assertion and (b) permit the Issuer or its representatives to meet with the representatives of the holder or former holder dealing with the Internal Revenue Service to discuss the issues involved. All other capitalized terms used in this Bond but not defined in this Bond shall have the meaning set forth in the Ordinance (hereinafter defined).

The principal of and interest on this Bond are payable in any coin or currency which on the date of payment thereof is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent. The Record Dates for the Series 2012 Bonds shall be each _____ 15 and _____ 15 during the term of the Series 2012 Bonds.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$_____ designated "The City of Morgantown (West Virginia) Parking System Refunding Revenue Bonds, Series 2012" (the "Bonds") of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 2012, the proceeds of which are

to be used (i) to finance the costs of currently refunding the Issuer's Parking Revenue Bond, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000 (the "Series 2002 Bonds") and (ii) to pay costs of issuance of the Series 2012 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 16 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on _____, 2012, as supplemented by the Supplemental Resolution of the Issuer adopted on _____, 2012 (collectively, 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 Morgantown, West Virginia.

The principal of and interest on the Bonds are payable from, and secured by a first lien on the Net Revenues of the Issuer's on-street and off-street motor vehicle parking facilities, together with all related facilities (the "System"), as more particularly described in the Ordinance, and all moneys in the Sinking Fund established under the Ordinance, and the Issuer hereby and in the Ordinance pledges such revenues and moneys to such payment.

The Bonds shall be subject to prepayment at the option of the Issuer, prior to the maturity thereof, in whole, or in part on any semiannual installment payment date, at a prepayment price equal to 100% of the principal amount prepaid, without premium, plus accrued interest at the applicable rate to the date of any such prepayment, and other payments due hereunder. Any partial prepayment shall be in integrals of \$10,000 and shall be applied in such manner so as to reduce the principal amount of Bonds Outstanding, shall be made pro-rata as to each of the Bonds, in proportion to the outstanding principal amount of each such Bond, and the Paying Agent shall thereafter recalculate the installment payments then due on the Bonds. Such partial prepayment shall not affect the final maturity date of the Bonds.

Prepayment shall be made on the date selected by the Issuer, which date shall be not less than 15 days nor more than 45 days after receipt by the Paying Agent of a certificate of the Issuer (i) requesting that the Bonds or portion thereof be prepaid, and (ii) stating the principal amount of the Bonds to be so prepaid, and the date upon which the same will be prepaid.

Notice of prepayment, identifying the Bonds or portions thereof to be prepaid, shall also be given by the Paying Agent by mailing a copy of the prepayment notice by registered or certified mail at least 10 days prior to the date

fixed for prepayment to such Registered Owner of each Bond to be prepaid in whole or in part at the address shown on the Bond Register; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the prepayment of Bonds.

Notice of prepayment having been given in the manner hereinabove provided for, the Bonds or portion thereof shall on the date fixed for prepayment specified in such notice, become due and payable at the proper prepayment price as herein provided, and from and after the date fixed for prepayment (unless the Issuer shall default in the payment of the prepayment price) interest on such Bonds or portion thereof shall cease to accrue, and upon presentation and surrender of such Bonds at the office of any Paying Agent, such Bonds shall be paid at the prepayment price aforesaid.

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

Subject to the requirements for transfer set forth below, this Bond is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia. This Bond is transferable, as provided in the Ordinance, only by transfer of registration upon the books of United Bank, Inc., _____, West Virginia, as Registrar, to be made at the request of the Registered Owner hereof in person or by his attorney duly authorized in writing, and upon surrender hereof, together with a written instrument of transfer satisfactory to said registrar duly executed by the Registered Owner or his duly authorized attorney. Upon transfer hereof, there shall be issued another fully registered Bond or fully registered Bonds of the aggregate principal amount equal to the unpaid amount hereof.

This Bond shall only be transferable by transfer of registration upon the books of the Registrar as provided herein and in the Ordinance. This Bond shall be registered in the Bond Register and such registration shall be noted on this Bond. After such registration, no registration of transfer hereof shall be valid unless made on the Bond Register at the written request of the registered owner or his duly authorized attorney or legal representative and similarly noted on this Bond.

The Bond Registrar shall not be obligated to make any registration or transfer of (a) any Bonds during the 15 day period preceding (i) an interest payment date or (ii) the date of publication or mailing, whichever is earlier, of a notice of redemption, or (b) any Bonds called for redemption.

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

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

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.

This Bond shall not be valid or obligatory unless authenticated by the Registrar by the execution of the Registrar’s Certificate of Authentication endorsed hereon.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, The City of Morgantown, has caused this Bond to be signed by its Mayor and City Manager and its corporate seal to be hereunto affixed and attested by its Clerk, and has caused this Bond to be dated the ____ day of _____, 2012.

The date of original delivery of this Bond is _____, 2012.

THE CITY OF MORGANTOWN

[SEAL]

By: _____
Mayor

By: _____
City Manager

ATTEST:

By: _____
Clerk

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This is to certify that this Bond is one of the Bonds described in and issued under the provisions of the within-mentioned Ordinance.

UNITED BANK, INC., as Registrar

By: _____
Authorized Officer

Date of Delivery: _____, 2012

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the City of Morgantown Parking Refunding Revenue Bond, Series 2012, in the amount of \$ _____ dated _____, 2012, and does hereby irrevocably constitute and appoint _____, attorney, to transfer said Bond on the books of the Registrar on behalf of the City with full power of substitution in the premises.

Dated: _____, _____

IN THE PRESENCE OF:

(No writing on this Bond except by the Registrar)

SCHEDULE OF REGISTERED OWNERS

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Signature of Registrar</u>
	<u>United Bank, Inc.</u>	

10/22/2012
627490/00046

THE CITY OF MORGANTOWN
PARKING SYSTEM REFUNDING REVENUE BONDS,
SERIES 2012

CERTIFICATE OF DETERMINATIONS

The undersigned, James Manilla, Mayor, and the undersigned Terrence R. Moore, City Manager, of The City of Morgantown (the "Issuer"), in accordance with the Supplemental Parameters Resolution adopted by the Governing Body of the Issuer on November 5, 2012 (the "Supplemental Parameters Resolution"), with respect to the Issuer's Parking System Refunding Revenue Bonds, Series 2012 (the "Series 2012 Bonds"), hereby finds and determines as follows:

1. The Series 2012 Bonds shall be issued in the original aggregate principal amount of \$3,534,000, shall be dated December 20, 2012, shall bear interest at the fixed annual percentage rate of 2.50%, and the principal of and interest on the Series 2012 Bonds shall be payable in 18 equal amortizing semi-annual installment payments in the amount of \$220,193.30, commencing on June 1, 2013, and continuing on each June 1 and December 1 to and including December 1, 2021, which shall be the maturity date of the Series 2012 Bonds (the "Maturity Date"), at which time all principal of and interest on the Series 2012 Bonds not theretofore paid shall become due and payable.
2. The interest rate on the Series 2012 Bonds does not exceed 3.5%, being the maximum interest rate authorized by the Supplemental Parameters Resolution. The Net Present Value of the savings realized from such refunding is not less than 3.0%, which is the minimum savings threshold approved by the Supplemental Parameters Resolution.
3. The Series 2012 Bonds shall be subject to optional redemption as set forth on Schedule 1 attached hereto and incorporated herein.
4. The Series 2012 Bonds shall be sold to United Bank, Inc. (the "Original Purchaser"), pursuant to the terms of a Commitment Letter, dated October 23, 2012, which has been delivered by the Original Purchaser to the Issuer (the "Commitment Letter").
5. The Series 2012 Bonds shall be initially issued in the form of one bond, numbered R-1, in the original aggregate principal amount of \$3,534,000, the entire principal amount of which shall initially be registered in the Bond Register maintained by the Registrar in the name of the Original Purchaser.
6. The Series 2012 Bonds shall be issued in authorized denominations of \$100,000 and increments of \$500 in excess thereof.

7. The Record Dates for the Series 2012 Bonds shall be May 15 and November 15 each year during the term of the Series 2012 Bonds.
8. The Ordinance provides for the designation of Qualified Investments for the proceeds of the Bonds by this Certificate of Determinations. The proceeds of the Bonds are anticipated to be expended on the issue date thereof, or within 30 days thereafter, for the current refunding of the Series 2002 Bonds and the payment of costs of issuance of the Series 2012 Bonds. To the extent that the proceeds of the Bonds are not expended on the closing date or within 30 days thereafter for their intended purposes, such proceeds may be invested in United States Government Obligations maturing at such times and amounts so as to provide funds for the current refunding of the Series 2002 Bonds or in bank Certificates of Deposit which are market priced and either insured or secured by a pledge of United States Government Obligations.
9. Proceeds of the Series 2012 Bonds in the amount of \$3,498,405.53 shall be transferred on the issue date to the Paying Agent for deposit in the Series 2002 Bonds Prepayment Fund for subsequent application, in combination with other funds on deposit in the Series 2002 Bonds Prepayment Fund, to the current refunding and repayment in full of the Series 2002 Bonds.
10. Proceeds of the Series 2012 Bonds in the amount of \$-0- shall be transferred on the issue date to the Paying Agent in payment of the fees and costs of the Paying Agent in connection with the current refunding of the Series 2002 Bonds and issuance of the Series 2012 Bonds.
11. Proceeds of the Series 2012 Bonds in the amount of \$35,500 shall be transferred on the issue date to the Depository Bank for deposit in the Costs of Issuance Fund for subsequent application by the Issuer to the payment of the Costs of Issuance of the Series 2012 Bonds.
12. There will be no Reserve Account for the Series 2012 Bonds and proceeds of the Series 2012 Bonds will not be applied to the funding of a Reserve Account.
13. The forms of the Tax and Non-Arbitrage Certificate, Registrar's Agreement and Prepayment Agreement attached hereto are hereby approved.
14. The notice addresses for the Depository Bank, Registrar, Original Purchaser and Paying Agent for the Series 2012 Bonds shall be as set forth below or as shall hereafter be designated in writing by such party to the Issuer:

REGISTRAR/DEPOSITORY BANK/ORIGINAL PURCHASER

United Bank, Inc.
990 Elmer Prince Drive
Morgantown, WV 26505-3275

Attn: Randall L. Williams, Senior Vice President

PAYING AGENT

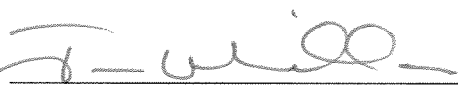
West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25302
Attn: Executive Director

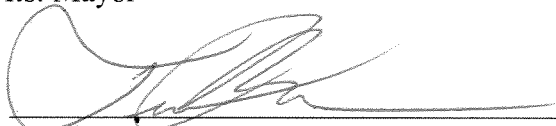
15. The undersigned hereby certifies that the foregoing terms and conditions of the Series 2012 Bonds are within the parameters prescribed by the Supplemental Parameters Resolution, and the Series 2012 Bonds may be issued with such terms and conditions as authorized by the Supplemental Parameters Resolution.

(Remainder of Page Intentionally Blank)

WITNESS my signature this 20th day of December, 2012.

THE CITY OF MORGANTOWN

By: 
Its: Mayor

By: 
Its: City Manger

627490.00046

6153881

SCHEDULE 1

SERIES 2012 BOND TERMS

Redemption Provisions

Prepayment of Series 2012 Bonds. The Series 2012 Bonds shall be subject to prepayment at the option of the Issuer, prior to the maturity thereof, in whole at any time, or in part on any semiannual installment payment date, at a prepayment price equal to 100% of the principal amount prepaid, without premium, plus accrued interest at the applicable rate to the date of any such prepayment. Any partial prepayment shall be in integrals of \$10,000 and shall be applied in such manner so as to reduce the principal amount of Series 2012 Bonds Outstanding, shall be made pro-rata as to each of the Series 2012 Bonds, in proportion to the outstanding principal amount of each such Series 2012 Bond, and the Paying Agent shall thereafter recalculate the installment payments then due on the Series 2012 Bonds.

Prepayment Requests. Prepayment shall be made as described above on the date selected by the Issuer, which date shall be not less than 15 days nor more than 45 days after receipt by the Paying Agent of a certificate of the Issuer (i) requesting that the Series 2012 Bonds or portion thereof be prepaid as described above, and (ii) stating the principal amount of the Series 2012 Bonds to be so prepaid, and the date upon which the same will be prepaid.

Notice of Prepayment A. Notice of prepayment, identifying the Series 2012 Bonds or portions thereof to be prepaid, shall also be given by the Paying Agent by mailing a copy of the prepayment notice by registered or certified mail at least 10 days prior to the date fixed for prepayment to such Registered Owner of each Series 2012 Bond to be prepaid in whole or in part at the address shown on the Bond Register; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the prepayment of Series 2012 Bonds.

B. Notice of prepayment having been given in the manner hereinabove provided for, the Series 2012 Bonds or portion thereof shall on the date fixed for prepayment specified in such notice, become due and payable at the proper prepayment price as herein provided, and from and after the date fixed for prepayment (unless the Issuer shall default in the payment of the prepayment price) interest on such Series 2012 Bonds or portion thereof shall cease to accrue, and upon presentation and surrender of such Series 2012 Bonds at the office of any Paying Agent, such Series 2012 Bonds shall be paid at the prepayment price aforesaid.

FORM OF TAX AND NON-ARBITRAGE CERTIFICATE

[See Bond Transcript Document No. 21]

FORM OF REGISTRAR AGREEMENT

[See Bond Transcript Document No. 29]

FORM OF PREPAYMENT AGREEMENT

[See Bond Transcript Document No. 25]

Cross-Receipt for Bonds

CITY OF MORGANTOWN

Parking System Refunding Revenue Bonds, Series 2012

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned authorized representative of United Bank, Inc., Morgantown, West Virginia (the "Purchaser"), and the undersigned Mayor and City Manager of The City of Morgantown (the "Issuer"), hereby certify as follows:

1. On December 20, 2012, in Morgantown, West Virginia, the Purchaser received The City of Morgantown Parking System Refunding Revenue Bonds, Series 2012, issued as a single, fully registered Bond, No. R-1, in the principal amount of \$3,534,000, dated December 20, 2012 (the "Bonds"). The Bonds represent the entire above-captioned Bond issue.

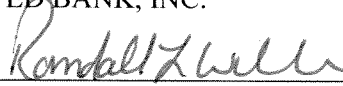
2. At the time of such receipt, the Bonds had been duly executed and sealed by the designated officials of the Issuer.

3. The Issuer has received and hereby acknowledges receipt from the Purchaser of the sum of \$3,534,000, being the entire principal amount and purchase price of the Bonds.

WITNESS our respective signatures on this 20th day of December, 2012.

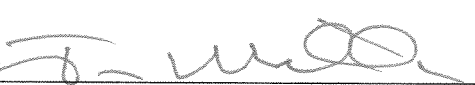
UNITED BANK, INC.

By


Its Senior Vice President

THE CITY OF MORGANTOWN

By


Its Mayor

By


Its City Manger

Direction to Authenticate

CITY OF MORGANTOWN

Parking System Refunding Revenue Bonds, Series 2012

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

United Bank, Inc.,
as Registrar
Morgantown, West Virginia

Ladies and Gentlemen:

There are delivered to you herewith:

1. Bond No. R-1, constituting the entire original issue of The City of Morgantown Parking System Refunding Revenue Bonds, Series 2012, dated December 20, 2012, in the principal amount of \$3,534,000 (the "Bonds"), executed by the Mayor, the City Manager and the City Clerk of The City of Morgantown (the "Issuer") and bearing the official seal of the Issuer. The Bonds are authorized to be issued under and pursuant to a Bond Ordinance duly enacted by the Issuer on July 3, 2012, and a Supplemental Parameters Resolution duly adopted by the Issuer on November 5, 2012 (collectively, the "Ordinance").
2. A copy of the Ordinance duly certified by the City Clerk.
3. An executed counterpart of the Certificate of Determinations of the Issuer with respect to the Bonds, dated December 20, 2012 (the "Certificate of Determinations").
4. A signed, unqualified approving opinion of Steptoe & Johnson PLLC, Charleston, West Virginia, as bond counsel to the Issuer for the issuance of the Bonds.
5. A list of the names in which the Bonds are to be registered upon original issuance, together with taxpayer identification and other information as requested by you.

You are hereby requested and authorized to authenticate, register and deliver the Bonds to United Bank, Inc., Morgantown, West Virginia, as the Purchaser thereof, upon payment to the Issuer of the sum of \$3,534,000, representing the entire principal amount and purchase price of the Bonds.

Dated this December 20, 2012.

THE CITY OF MORGANTOWN

By 
Its Mayor

By 
Its City Manager

SPECIMEN

THIS BOND IS REGISTERED WITH THE REGISTRAR, UNITED BANK, INC., AND IS NOT REGISTERED WITH THE DEPOSITORY TRUST COMPANY, AND ANY REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT SHOULD BE SUBMITTED TO THE REGISTRAR, UNITED BANK, INC.

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS OR ANY OTHER APPLICABLE SECURITIES LAWS. NEITHER THIS BOND NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE HOLDER OF THIS BOND BY ITS ACCEPTANCE HEREOF AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY ONLY (A) TO THE ISSUER, (B) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON THE HOLDER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (C) TO A "NON U.S. PERSON" IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT, (D) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT TO AN "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501 UNDER THE SECURITIES ACT THAT IS ACQUIRING THE BOND FOR ITS OWN ACCOUNT, OR FOR THE ACCOUNT OF SUCH AN "ACCREDITED INVESTOR," FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO, OR FOR OFFER OR SALE IN CONNECTION WITH, ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUER'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO IT. THE REGISTERED OWNER OF THIS BOND ALSO AGREES THAT ALL BONDHOLDERS MUST AT ALL TIMES HOLD AN AUTHORIZED DENOMINATION OF THE SERIES 2012 BONDS, WHICH AUTHORIZED DENOMINATIONS EQUAL \$100,000 OR ANY \$500 INCREMENT IN EXCESS THEREOF, AND THE BONDHOLDERS AGREE TO TRANSFER NO INTEREST IN THE SERIES 2012 BONDS WHICH WOULD CAUSE A VIOLATION OF SUCH REQUIREMENT. THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF AGREES THAT IT WILL COMPLY WITH THE FOREGOING RESTRICTIONS.

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF MORGANTOWN
PARKING REFUNDING REVENUE BOND,
SERIES 2012

No. R-1

SPECIMEN

\$3,534,000

THE CITY OF MORGANTOWN, a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer") for value received, hereby promises to pay, solely from the special fund provided therefore, as hereinafter set forth, to the order of

- UNITED BANK, INC. -

or registered assigns (the "Registered Owner"), the principal sum of Three Million Five Hundred Thirty Four Thousand and 00/100 Dollars (\$3,534,000) in lawful money of the United States of America, together with interest thereon at the fixed annual percentage rate of 2.50%, from the date of this Bond, in 18 equal amortizing semi-annual installments of principal and interest in the amount of \$220,193.30, commencing on June 1, 2013, and continuing on each June 1 and December 1 thereafter occurring to and including December 1, 2021, which shall be the maturity date of this Bond (the "Maturity Date"), at which time all principal of and interest on this Bond not theretofore paid shall become due and payable. Interest shall be computed on the basis of a year of 365 days and for the actual number of days elapsed during any month or portion thereof.

Notwithstanding any other provision of this Bond to the contrary, in the event of a Determination of Taxability, the rate of interest on this Bond shall be equal to 3.91% per annum (the "Taxable Rate"). Interest at the Taxable Rate shall commence to accrue on the Date of Taxability and such interest rate shall be charged retroactively and prospectively for all periods in which interest paid on this Bond is asserted, declared or determined to be subject to federal income taxation, and shall continue until the entire principal of and interest on this Bond is paid, notwithstanding that the entire principal amount of this Bond may have been paid in full prior to the Determination of Taxability. Any interest being past due on this Bond by reason of such increase shall become immediately due and payable. In addition, in the event of a Determination of Taxability, the Registered Owner shall be entitled to payment, on demand, of any Special Charges. Special Charges means (a) an amount equal to any penalties or interest paid to the Internal Revenue Service or to the State of West Virginia by the present and former Registered Owner resulting from the failure to include interest on this Bond in its gross income for purposes of determining its federal income tax or State income tax, plus any tax payable by them as a consequence of the receipt of such amount; plus (b) an amount equal to all reasonable administrative, out-of-pocket and other expenses incurred by

6154157

the present and former Registered Owner which are directly or indirectly attributable to interest on this Bond becoming subject to federal or State income tax as a result of the failure to include interest on this Bond in its gross income for purposes of determining its federal or state income tax, including without limitation, costs incurred by the present and former Registered Owner in amending its federal or State tax returns.

As used herein the term "Determination of Taxability" means the interest on the Bonds in whole or in part is included in the gross income of a holder (or former holder) for federal income tax purposes for any reason, the determination of which is manifested by (a) a statutory Notice of Deficiency (90-day letter) from the Internal Revenue Service proposing to include such interest in the income of a holder (or former holder), or (b) delivery to the Registrar or Issuer of an opinion of Bond Counsel acceptable to the Registrar to the effect that (i) as a result of a change in the federal tax laws after the date of the issuance of the Bonds such interest on obligations of the general character of the Bonds will be included in whole or in part in the gross income of the holders thereof (for the purposes of this paragraph, such interest becomes subject to federal income taxation when the President of the United States of America signs such legislation) or (ii) that for any other reason, interest on the Bonds, in whole or in part, is included in the gross income of a holder or former holder of the Bonds; provided, however, no Determination of Taxability shall be deemed to exist if the Issuer shall, within 30 days after such assertion of taxability, cause to be delivered to the Registrar an unqualified opinion of Bond Counsel reasonably acceptable to the holder or former holder to the effect that interest on the Bonds has been and continues to be excludable from gross income for federal income tax purposes, then such holder or former holder shall at the expense of the Issuer contest such assertion of taxability by appropriate administrative proceedings through the Internal Revenue Service Appeals Office, whose determination as to taxability shall be final and binding and upon such determination by the Internal Revenue Service Appeals Office a Determination of Taxability shall be deemed to exist. In any such contest the holder or former holder shall cooperate with the Issuer and toward that end shall (a) give prompt notice of any such assertion and (b) permit the Issuer or its representatives to meet with the representatives of the holder or former holder dealing with the Internal Revenue Service to discuss the issues involved. All other capitalized terms used in this Bond but not defined in this Bond shall have the meaning set forth in the Ordinance (hereinafter defined).

The principal of and interest on this Bond are payable in any coin or currency which on the date of payment thereof is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent. The Record Dates for the Series 2012 Bonds shall be each May 15 and November 15 during the term of the Series 2012 Bonds.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of \$3,534,000 designated "The City of Morgantown (West Virginia) Parking System Refunding Revenue Bonds, Series 2012" (the "Bonds") of like tenor and effect, except as to number, denomination, date of maturity and

6154157

interest rate, dated December 20, 2012, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Parking Revenue Bond, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000 (the "Series 2002 Bonds") and (ii) to pay costs of issuance of the Series 2012 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 16 and Chapter 13, Article 2E of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and an ordinance duly enacted by the Council of the Issuer on July 3, 2012, as supplemented by the Supplemental Resolution of the Issuer adopted on November 5, 2012 (collectively, 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 Morgantown, West Virginia.

The principal of and interest on the Bonds are payable from, and secured by a first lien on the Net Revenues of the Issuer's on-street and off-street motor vehicle parking facilities, together with all related facilities (the "System"), as more particularly described in the Ordinance, and all moneys in the Sinking Fund established under the Ordinance, and the Issuer hereby and in the Ordinance pledges such revenues and moneys to such payment.

The Bonds shall be subject to prepayment at the option of the Issuer, prior to the maturity thereof, in whole at any time, or in part on any semiannual installment payment date, at a prepayment price equal to 100% of the principal amount prepaid, without premium, plus accrued interest at the applicable rate to the date of any such prepayment. Any partial prepayment shall be in integrals of \$10,000 and shall be applied in such manner so as to reduce the principal amount of Bonds Outstanding, shall be made pro-rata as to each of the Bonds, in proportion to the outstanding principal amount of each such Bond, and the Paying Agent shall thereafter recalculate the installment payments then due on the Bonds.

Prepayment shall be made as described above on the date selected by the Issuer, which date shall be not less than 15 days nor more than 45 days after receipt by the Paying Agent of a certificate of the Issuer (i) requesting that the Bonds or portion thereof be prepaid as described above, and (ii) stating the principal amount of the Bonds to be so prepaid, and the date upon which the same will be prepaid.

Notice of prepayment, identifying the Bonds or portions thereof to be prepaid, shall also be given by the Paying Agent by mailing a copy of the

prepayment notice by registered or certified mail at least 10 days prior to the date fixed for prepayment to such Registered Owner of each Bond to be prepaid in whole or in part at the address shown on the Bond Register; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the prepayment of Bonds.

Notice of prepayment having been given in the manner hereinabove provided for, the Bonds or portion thereof shall on the date fixed for prepayment specified in such notice, become due and payable at the proper prepayment price as herein provided, and from and after the date fixed for prepayment (unless the Issuer shall default in the payment of the prepayment price) interest on such Bonds or portion thereof shall cease to accrue, and upon presentation and surrender of such Bonds at the office of any Paying Agent, such Bonds shall be paid at the prepayment price aforesaid.

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

Subject to the requirements for transfer set forth below, this Bond is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia. This Bond is transferable, as provided in the Ordinance, only by transfer of registration upon the books of United Bank, Inc., Morgantown, West Virginia, as Registrar, to be made at the request of the Registered Owner hereof in person or by his attorney duly authorized in writing, and upon surrender hereof, together with a written instrument of transfer satisfactory to said registrar duly executed by the Registered Owner or his duly authorized attorney. Upon transfer hereof, there shall be issued another fully registered Bond or fully registered Bonds of the aggregate principal amount equal to the unpaid amount hereof.

This Bond shall only be transferable by transfer of registration upon the books of the Registrar as provided herein and in the Ordinance. This Bond shall be registered in the Bond Register and such registration shall be noted on this Bond. After such registration, no registration of transfer hereof shall be valid unless made on the Bond Register at the written request of the registered owner or his duly authorized attorney or legal representative and similarly noted on this Bond.

The Bond Registrar shall not be obligated to make any registration or transfer of (a) any Bonds during the 15 day period preceding (i) an interest payment date or (ii) the date of publication or mailing, whichever is earlier, of a notice of redemption, or (b) any Bonds called for redemption.

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

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

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.

This Bond shall not be valid or obligatory unless authenticated by the Registrar by the execution of the Registrar’s Certificate of Authentication endorsed hereon.

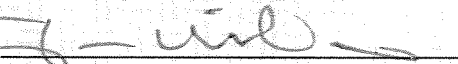
[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, The City of Morgantown, has caused this Bond to be signed by its Mayor and City Manager and its corporate seal to be hereunto affixed and attested by its Clerk, and has caused this Bond to be dated the 20th day of December, 2012.

The date of original delivery of this Bond is December 20, 2012.

THE CITY OF MORGANTOWN

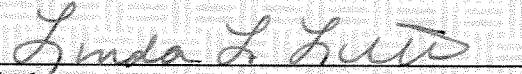
[SEAL]

By: 
Mayor

SPECIMEN

By: 
City Manager

ATTEST:

By: 
Clerk

6154157

SPECIMEN

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This is to certify that this Bond is one of the Bonds described in and issued under the provisions of the within-mentioned Ordinance.

UNITED BANK, INC., as Registrar

By: Randall L. Wilk
Authorized Officer

Date of Delivery: December 20, 2012

6154157

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the City of Morgantown Parking Refunding Revenue Bond, Series 2012, in the amount of \$3,534,000 dated December 20, 2012, and does hereby irrevocably constitute and appoint _____, attorney, to transfer said Bond on the books of the Registrar on behalf of the City with full power of substitution in the premises.

Dated: _____,

IN THE PRESENCE OF:

(No writing on this Bond except by the Registrar)

SCHEDULE OF REGISTERED OWNERS

Date of Registration

December 20, 2012

In Whose
Name Registered

United Bank, Inc.

Signature of Registrar

Ronald L. Hill

627490/00046

WEST VIRGINIA MUNICIPAL BOND COMMISSION

Suite 1117

900 Pennsylvania Avenue, Charleston, WV 25302

(304) 558-3971

FAX: 558-1280

NEW ISSUE REPORT FORM

Date of Report: December 20, 2012

ISSUE: The City of Morgantown Parking System Refunding Revenue Bonds, Series 2012ADDRESS: 389 Spruce Street, Morgantown, WV 26505COUNTY: Monongalia

PURPOSE OF ISSUE:

New Money Refunding X Refunds issue(s) dated: 12-Dec-02ISSUE DATE: December 20, 2012CLOSING DATE: 20-Dec-12ISSUE AMOUNT: \$3,534,000RATE: 2.50%1st DEBT SERVICE DUE: June 1, 20131st PRINCIPAL DUE: 1-Jun-131st DEBT SERVICE AMOUNT: \$220,193.30PAYING AGENT: Municipal Bond CommissionBOND COUNSEL: Step toe & Johnson PLLCUNDERWRITERS COUNSEL: N/AContact Person: Thomas L. Aman Jr.Contact Person: Phone: 304.933.8136Phone: CLOSING BANK: United Bank, Inc., Morgantown, WVESCROW TRUSTEE: Municipal Bond CommissionContact Person: Randall L. Williams, SVPContact Person: Sara Rogers, Executive DirectorPhone: 304.581.6004Phone: 304.558.3971

KNOWLEDGEABLE ISSUER CONTACT:

OTHER: Contact Person: J.R. SabetelliContact Person: Position: Director of FinancePosition: Phone: 304.284.7418Phone: Email: jsabatelli@cityofmorgantown.orgDEPOSITS TO MBC AT CLOSE: \$3,498,405.53Accrued Interest: \$ N/ABy X WireCapitalized Interest: \$ N/A CheckReserve Account: \$ N/AX In-house TransferX Other: 2002 Bond Sink. Fund \$ 257,976.15X Other: MBC Fee \$ 1,474.51X Other: 2002 Bond Reserve \$ 457,525.73

REFUNDS & TRANSFERS BY MBC AT CLOSE:

By X WireX To Escrow Trustee: \$ \$ 4,212,432.90 CheckTo Issuer: \$ IGTTo Cons. Invest Fund \$ To Other: \$ NOTES: Municipal Bond Commission to Disburse the sum of \$4,212,432.90 on December 21, 2012 to United Bank, Inc.to repay in full the City's Parking Revenue Bonds, Series 2002, dated December 12, 2002 Pursuant to Prepayment Agreement

FOR MUNICIPAL BOND COMMISSION USE ONLY:

Documents Required: Transfers Required:

CITY OF MORGANTOWN

Parking System Refunding Revenue Bonds, Series 2012

City of Morgantown
Morgantown, West Virginia

United Bank, Inc.
Morgantown, West Virginia

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by The City of Morgantown, West Virginia (the "Issuer") of its \$3,534,000 aggregate principal amount of Parking System Refunding Revenue Bonds, Series 2012, dated December 20, 2012 (the "Series 2012 Bonds").

The Series 2012 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 16 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 July 3, 2012, as supplemented by a Supplemental Parameters Resolution adopted by the Issuer on November 5, 2012 (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 2012 Bonds are issued in fully registered form, are dated December 20, 2012, and are payable in equal amortizing semi-annual installment payments of principal and interest on June 1 and December 1 of each year, commencing June 1, 2013 and continuing to December 1, 2021, which shall be the maturity date of the Series 2012 Bonds. The entire principal amount of the Series 2012 Bonds have been sold to United Bank, Inc., Morgantown, West Virginia (the "Original Purchaser").

The Series 2012 Bonds shall be subject to optional redemption prior to maturity, in whole or in part, on the dates, in the amounts and at the redemption prices, all as set forth in the Certificate of Determinations of the Issuer with respect to the Series 2012 Bonds, dated December 20, 2012 (the "Certificate of Determinations").

The Ordinance provides that the Series 2012 Bonds are issued for the purposes of currently refunding and redeeming in full the Issuer's outstanding Parking Revenue Bonds, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000 (the "Series 2002 Bonds") and paying costs of issuance of the Series 2012 Bonds and related costs.

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 Certificate of Determinations, the Supplemental Parameters Resolution adopted by the Issuer on November 5, 2012 (the "Supplemental Resolution"), the Tax and Non-Arbitrage Certificate of the Issuer dated December 20, 2012 (the "Tax Certificate") the Investment Letter of the Original Purchaser dated December 20, 2012 (the "Investment Letter") 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 Supplemental Resolution, the Certificate of Determinations, the Tax Certificate and the Investment Letter, we are of the opinion, under existing law and as of the date hereof, that:

1. The Issuer is a duly organized and validly existing municipal corporation and political subdivision under and pursuant to the laws of the State of West Virginia, with full power and authority to adopt and enact the Ordinance and the Supplemental Resolution, execute and deliver the Certificate of Determinations and Tax Certificate, perform its obligations under the terms and provisions thereof and to issue and sell the Series 2012 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 and the Supplemental Resolution, has authorized, executed and delivered the Certificate of Determinations and the Tax Certificate, and has validly issued and delivered the Series 2012 Bonds to the Original Purchaser. The Ordinance and the Supplemental Resolution are in full force and effect as of the date hereof.

3. The Series 2012 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 solely from, and secured solely by a lien on, the Net Revenues of the System. The Series 2012 Bonds are enforceable in accordance with their terms and the terms of the Ordinance and Supplemental Resolution, and are entitled to the benefits of the Ordinance, the Supplemental Resolution and the Act.

4. 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 2012 Bonds (a) is excludable from gross income of the owners thereof for federal income tax purposes

pursuant to the Internal Revenue Code of 1986, as amended (the "Code") and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations under the Code. It should be noted, however, that interest on the Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Bonds set forth in the Ordinance and the Tax Certificate, and with certain certificates delivered in connection with the issuance of the Bonds. Failure to comply with certain of such Code provisions or such certifications, covenants and representations could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds except as expressly set forth in paragraph 5 below.

5. Under the Act, the Series 2012 Bonds and the income therefrom are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof, except inheritance, estate and transfer taxes.

6. The Issuer has designated the Series 2012 Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code.

7. Upon the deposit on the date hereof with the West Virginia Municipal Bond Commission (the "Bond Commission") of proceeds of the Series 2012 Bonds which when combined with funds on deposit with the Bond Commission in the Sinking Fund and in the Reserve Account for the Series 2002 Bonds will be sufficient to pay the Redemption Price of the Series 2002 Bonds on December 21, 2012 (the "Redemption Date") pursuant to that certain Prepayment Agreement, dated December 20, 2012, by and between the Issuer and the Bond Commission (the "Prepayment Agreement"), the Series 2002 Bonds will be deemed to have been paid within the meaning and effect as provided in the Ordinance authorizing the issuance of the Series 2002 Bonds.

It is to be understood that the rights of the holders of the Series 2012 Bonds and the enforceability of the Series 2012 Bonds, the Ordinance, the Supplemental Resolution, the Certificate of Determinations, 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.

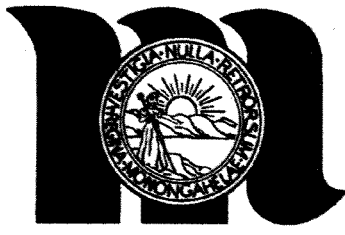
City of Morgantown
United Bank, Inc.
December 20, 2012
Page 4

We have examined the executed and authenticated Series 2012 Bonds of said issue, and in our opinion, said Series 2012 Bonds are in proper form and have been duly executed and authenticated.

Very truly yours,

A handwritten signature in cursive script that reads "Steptoe & Johnson PLLC". The signature is written in dark ink and is positioned above the printed name of the firm.

STEPTOE & JOHNSON PLLC



Legal Department

The City of Morgantown

389 SPRUCE STREET
MORGANTOWN, WEST VIRGINIA 26505
FAX: (304) 225-3590

Stephen R. Fanok
City Attorney
(304) 284-7477

Brent O. Burton
Assistant City Attorney
(304) 284-7479

(Form of Opinion of Counsel to Issuer)

December 20, 2012

CITY OF MORGANTOWN

Parking System Refunding Revenue Bonds, Series 2012

City of Morgantown
Morgantown, West Virginia

United Bank, Inc.
Morgantown, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

I am City Solicitor to the City of Morgantown in Monongalia County, West Virginia (the "Issuer"). As such counsel, I have reviewed copies of the approving opinion of Steptoe & Johnson, as bond counsel, the commitment letter dated October 23, 2012, from United Bank, Inc., Morgantown, West Virginia (the "Purchaser"), the Bond Ordinance duly enacted by the Issuer on July 3, 2012, as supplemented by the Supplemental Parameters Resolution duly adopted by the Issuer on November 5, 2012 (collectively, the "Ordinance"), and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Ordinance when used herein. In addition, I have examined such other instruments, agreements and documents when I have deemed necessary as a basis for the opinions hereinafter expressed.

I am of the opinion that:

1. The Issuer is a duly created and validly existing municipal corporation and political subdivision of the State of West Virginia.
2. The Mayor, City Manager, City Clerk and members of the Council of the Issuer have been duly, lawfully and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.
3. The Ordinance has been duly adopted and enacted by the Issuer, is in full force and effect as of the date hereof, and constitutes a valid and binding obligation of the Issuer enforceable in accordance with its terms.
4. The execution and delivery of the Bonds and the consummation of the transactions contemplated by the Bonds, the Ordinance and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any ordinance, order, resolution, agreement or other instrument to which the Issuer is a party or any existing law, regulation, court order or consent decree to which the Issuer is subject.
5. To the best of my knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened (or to my knowledge, any basis therefor), wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by the Bonds and the Ordinance, the operation of the System, the validity of the Bonds or the collection or pledge of the Net Revenues.
6. It is to be understood that the rights of the holders of the Bonds and the enforceability of liens, pledges, rights or remedies with respect to the Bonds and the Ordinance are subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws hereto or hereafter enacted affecting creditors' rights or remedies generally, and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

A handwritten signature in black ink, appearing to read "Stephen R. Fanok". The signature is fluid and cursive, with a large, stylized initial "S".

Stephen R. Fanok, Esquire

SRF/ds

CITY OF MORGANTOWN

Parking System Refunding Revenue Bonds, Series 2012

GENERAL CERTIFICATE OF THE CITY OF MORGANTOWN ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. RATES
11. SIGNATURES; DELIVERY AND PAYMENT
12. PUBLICATION AND PUBLIC HEARING ON BOND
ORDINANCE
13. DESIGNATION OF REGISTRAR, PAYING AGENT AND
DEPOSITORY BANK
14. PRIVATE USE OF FACILITIES
15. NO FEDERAL GUARANTY
16. IRS INFORMATION RETURN
17. SPECIMEN BOND
18. CONFLICT OF INTEREST

We, the undersigned MAYOR, CITY MANAGER AND CITY CLERK of The City of Morgantown in Monongalia County, West Virginia (the "Issuer"), and the undersigned COUNSEL to the Issuer, hereby certify in connection with the \$3,534,000 principal amount of The City of Morgantown Parking System Refunding Revenue Bonds, Series 2012 (the "Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond Ordinance of the Issuer duly enacted July 3, 2012, and the Supplemental Resolution of the Issuer duly adopted November 5, 2012 (collectively, the "Bond Legislation").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Bonds, the current refunding of the Issuer's outstanding Parking Revenue Bonds, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000 (the "Series 2002 Bonds"), the operation of the System, the receipt of the Gross Revenues, or the pledge of the Net Revenues, or in any way contesting or affecting the validity of the Bonds, or any proceedings of the Issuer taken with respect to the issuance or sale of the Bonds, the pledge of the Net Revenues as security for the Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the

Bonds, the current refunding of the Series 2002 Bonds, the operation of the System, or the pledge of Net Revenues as security for the Bonds.

3. GOVERNMENTAL APPROVALS: All applicable approvals, licenses, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the facilities financed with the proceeds of the Series 2002 Bonds (the "Project"), the operation of the System, the imposition of rates and charges for use of the System and the issuance of the Bonds have been obtained and remain in full force and effect. All contracts for design, acquisition and construction of the Project were duly and properly entered into in accordance with the laws of the State and any applicable ordinances of the Issuer.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer or the System since the approval and acceptance by the Issuer of the commitment letter from United Bank, Inc., Morgantown, West Virginia, as the purchaser of the Bonds from the Issuer (the "Purchaser" or "Original Purchaser").

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

Bond Ordinance

Supplemental Parameters Resolution

Certificate of Determinations

Bond

City Charter, with Amendments

Oaths of Office of Officers and Councilmembers

Parking Rate Ordinance

Ordinance Creating Morgantown Parking Authority

Affidavit of Publication of Parking Rate Ordinance and Notice of Public Hearing

Minutes on Enactment of Parking Rate Ordinance

Affidavit of Publication of Abstract of Bond Ordinance and Notice of Public Hearing

Minutes on Enactment of Bond Ordinance and Adoption of Supplemental Parameters Resolution

IRS Information Return (Form 8038-G) and Letter of Transmittal

Municipal Bond Commission New Issue Report

Tax and Non-Arbitrage Certificate of the City

Prepayment Agreement

6. **INCUMBENCY AND OFFICIAL NAME:** The proper corporate title of the Issuer is "The City of Morgantown." The Issuer is a municipal corporation and a political subdivision of the State of West Virginia, in Monongalia County of said State. The governing body of the Issuer is its Council, consisting of 7 councilmembers, all duly elected or appointed, as applicable, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

Name		Date of Commencement of Office	Date of Termination of Office
James Manilla	- Mayor	July 1, 2011	June 30, 2013
Linda Herbst	- Councilmember/ Deputy Mayor	July 1, 2011	June 30, 2013
Ron Bane	- Councilmember	July 1, 2011	June 30, 2013
Wes Nugent	- Councilmember	July 1, 2011	June 30, 2013
William Byrne	- Councilmember	July 1, 2011	June 30, 2013
Jennifer Selin	- Councilmember	July 1, 2011	June 30, 2013
Marti Shamberger	- Councilmember	July 1, 2011	June 30, 2013

The duly appointed and acting City Manager and City Clerk of the Issuer are Terrence Moore and Linda L. Little, respectively. The duly appointed and acting Counsel to the Issuer is Stephen R. Fanok, Esquire, Morgantown, West Virginia.

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

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

9. **INSURANCE:** All insurance for the System required by the Bond Legislation is in full force and effect.

10. RATES: The Issuer has duly enacted a parking rate ordinance on August 18, 2009, setting the current rates and charges for the services of the System and such rate ordinance is currently in effect.

11. SIGNATURES; DELIVERY AND PAYMENT: On the date hereof, the Bonds are sold to United Bank, Inc., Morgantown, West Virginia (the "Purchaser"), at the price of 100% of par value, there being no interest accrued thereon. The undersigned Mayor and City Manager did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond, numbered R-1, dated the date hereof, by their respective manual signatures, and the undersigned City Clerk did officially cause the official seal of the Issuer to be affixed upon said Bonds and to be attested by her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Purchaser. Said official seal is also impressed above the signatures appearing on this certificate. At the time of delivery of the Bonds, the Issuer received \$3,534,000 Purchaser, being the par amount of the Bonds.

12. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the Dominion-Post, a newspaper published and of general circulation in the City of Morgantown, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Council at the public hearing held at a public meeting of Council on July 3, 2012, at 7:00 p.m., at the Morgantown City Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the City Clerk of the Issuer for review by interested parties during the office hours of the Issuer. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

13. DESIGNATION OF REGISTRAR, PAYING AGENT AND DEPOSITORY BANK: The Issuer hereby confirms the appointment of United Bank, Inc., Morgantown, West Virginia, as Registrar and Depository Bank and the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent for the Bonds.

14. PRIVATE USE OF FACILITIES: The Issuer shall at all times take, and shall not fail to take, any and all actions necessary in order to assure the initial and continued tax-exempt status of the Bonds and the interest thereon. Less than 10% of the proceeds of the Bonds will be used, directly or indirectly, for any private business use, and less than 10% of the payment of principal of, or the interest on, such issue, under the terms of such issue or any underlying arrangement, is, directly or indirectly, secured by any interest in property used or to be used for a private business use, payments in respect of such property, or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use. None of the proceeds of the Bonds will be used, directly or indirectly, for any private business use which is not related to the governmental use of the proceeds of the Bonds, including the disproportionate related business use of the proceeds of the Bonds, and none of the payment of principal on, or the interest on, such issue, under the terms of any underlying arrangement, is, directly or indirectly, secured by any interest in property used, or to be used for a private business use, payments in respect of such property or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use with respect to such private business use, which is not related to any government use of such proceeds, including the disproportionate business use of the issue of the Bonds. None of the proceeds of

the issue of the Bonds will be used, directly or indirectly, to make or finance loans to persons other than governmental units. For purposes of this paragraph, private business use means use, directly or indirectly, in a trade or business carried on by any person, including related persons, other than a governmental unit or other than use as a member of the general public. All of the foregoing shall be determined in accordance with and within the meaning of the Internal Revenue Code of 1986, as amended, including any successor provisions and rules and regulations thereunder (the "Code").

15. NO FEDERAL GUARANTY: The Bonds are not and will not be, in whole or part, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

16. IRS INFORMATION RETURN: On the date hereof, the undersigned Mayor did officially execute a properly completed IRS Form 8038-G in connection with the Bonds and will cause such executed IRS Form 8038-G to be filed in a timely manner pursuant to Section 149(e) of the Code with the Internal Revenue Service Center, Ogden, Utah. The information contained in such executed Form 8038-G is true, correct and complete.

17. SPECIMEN BOND: Delivered concurrently herewith is a true and accurate specimen of the Bond.

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

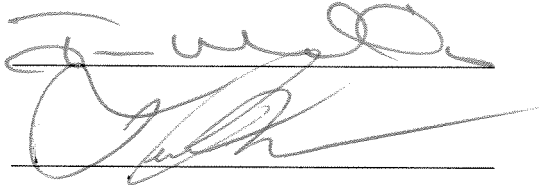
[Remainder of Page Intentionally Blank]

WITNESS our signatures and the official seal of THE CITY OF MORGANTOWN on this
December 20, 2012.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

A handwritten signature in dark ink, appearing to read "James", written over a horizontal line.

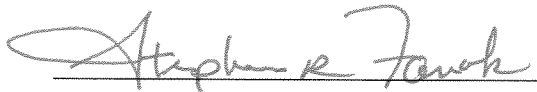
Mayor

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

City Manager

A handwritten signature in dark ink, appearing to read "Linda G. Lutz", written over a horizontal line.

City Clerk

A handwritten signature in dark ink, appearing to read "Stephen R. Fawcett", written over a horizontal line.

Counsel to Issuer

Tax Certificate

CITY OF MORGANTOWN

Parking System Refunding Revenue Bonds, Series 2012

Dated: December 20, 2012

TAX AND NON-ARBITRAGE CERTIFICATE

The undersigned are the Mayor and City Manager of The City of Morgantown, West Virginia (the "*City*").

This Tax and Non-Arbitrage Certificate (the "*Tax and Non-Arbitrage Certificate*") is executed as of December 20, 2012 for the purpose of establishing the reasonable expectations of the City as to future events regarding the City's Parking System Refunding Revenue Bonds, Series 2012 ("*Refunding Bonds*") and the use of the proceeds of the Refunding Bonds. The certifications and representations made herein are intended, and may be relied upon, as a certification described in Section 1.148-2(b)(2) of the Treasury Regulations. The Refunding Bonds are authorized to be executed and delivered by the Mayor and City Manager of the City pursuant to a Bond Ordinance enacted by the Council of the City on July 3, 2012 as supplemented by a Supplemental Parameters Resolution adopted by the Council of the City on November 5, 2012 (collectively, the "*Ordinance*").

This Tax and Non-Arbitrage Certificate also sets forth certain terms and conditions relating to the restrictions on the use and investment of the proceeds of the Refunding Bonds in order that the interest received by the owners of the Refunding Bonds will be excluded from gross income for federal income tax purposes.

NOW, THEREFORE, the City hereby certifies, covenants, represents and agrees as follows:

ARTICLE I

GENERAL

Section 1.1 Authorization. The Refunding Bonds are being executed and delivered by the Mayor and City Manager pursuant to the Ordinance and such execution and delivery was authorized by the Ordinance.

Section 1.2 Definitions. Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings set forth in the Ordinance or, if not defined in the Ordinance, in Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "*Code*"), and related Treasury Regulations.

Section 1.3 Purpose of the Refunding Bonds. The Refunding Bonds are being executed and delivered for and on behalf of the City for the following purposes:

- (i) to refund within 90 days of the issue date of the Refunding Bonds, all of the City's outstanding Parking Revenue Bonds, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000 (the "*Bonds to be Refunded*"); and
- (ii) to pay the costs of issuing the Refunding Bonds.

Section 1.4 Reliance on Other Parties. The expectations of the City concerning certain uses of the proceeds of the Refunding Bonds and other matters are based in whole or in part on representations and certifications of other parties set forth in this Tax and Non-Arbitrage Certificate and accompanying certificates. The City is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation or certification made in this Tax and Non-Arbitrage Certificate and accompanying certificates.

Section 1.5 Private Activity Bond Representations. For purposes of determining whether the Refunding Bonds are private activity bonds, the City makes the following representations. For this purpose, the proceeds of the Refunding Bonds used for refunding purposes are treated in the same manner as the Bonds to be Refunded.

(i) Not more than five percent (5%) of the proceeds of the Refunding Bonds will be used, directly or indirectly, to replace funds which were used in any business carried on by any person other than a state or local governmental unit.

(ii) Not more than ten percent (10%) of the payment of principal of or interest on the Refunding Bonds will be, directly or indirectly, (A) secured by any interest in (1) property used or to be used for a private business use by any person other than a state or local governmental unit, or (2) payments in respect of such property, or (B) derived from payments (whether or not to the City), in respect of property, or borrowed money, used or to be used for a private business use by any person other than a state or local governmental unit.

(iii) Not more than ten percent (10%) of the proceeds of the Refunding Bonds will be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(iv) No user of the facilities that were financed with the Bonds to be Refunded other than a state or local governmental unit will use more than ten percent (10%) of such facilities on any basis other than the same basis as the general public, and no person other than a state or local governmental unit will be a user of more than ten percent (10%) of such facilities as a result of (A) ownership, (B) actual or beneficial use pursuant to a lease or a management or incentive payment contract, or (C) any other similar arrangement.

Section 1.6 Single Issue for Certain Tax Purposes. No obligations are (i) being sold at substantially the same time (i.e., within fifteen (15) days) as the Refunding Bonds, (ii) being sold pursuant to the same plan of financing as the Refunding Bonds, and (iii) reasonably

expected to be paid from substantially the same source of funds as the Refunding Bonds, determined without regard to guarantees from unrelated parties.

Section 1.7 Refunding Bonds not Hedge Bonds. The City reasonably expected at the time the Bonds to be Refunded were issued, to spend at least eighty-five percent (85%) of the spendable proceeds of such issues to carry out the governmental purposes for which such issues are being or were issued within three (3) years of the date each such issue was issued. Not more than fifty percent (50%) of the Bonds to be Refunded has been or is expected to be, invested in investments having a substantially guaranteed yield for four (4) years or more.

Section 1.8 Qualified Tax-Exempt Obligations. Pursuant to Section 265(b)(3)(D)(ii) of the Code, the entire principal amount of the Refunding Bonds are deemed designated and shall be treated as a “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Code and are deemed so designated because the following requirements are satisfied: (1) the Refunding Bonds are issued to currently refund the Bonds to be Refunded which were designated at the time of their issuance as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code; (2) the amount of the Refunding Bonds does not exceed the outstanding amount of the Bonds to be Refunded; (3) the average maturity date of the Refunding Bonds is not later than the average maturity date of the Bonds to be Refunded; (4) the Refunding Bonds have a maturity date which is not later than the date which is 30 years after the Bonds to be Refunded were issued; and (5) the aggregate face amount of the issue of which the Refunding Bonds are a part does not exceed \$10,000,000.

ARTICLE II

ARBITRAGE

Section 2.1 Reasonable Expectations. This Article II states the reasonable expectations, statements of facts and estimates of the City with respect to the amount and use of the proceeds of the Refunding Bonds and certain other funds. On the basis of the following, it is not expected that the Refunding Bonds will be “*arbitrage bonds*” within the meaning of Section 148 of the Code.

Section 2.2 Sale Proceeds.

(a) **Sources of Funds.** The sources of funds for the current refunding of the Bonds to be Refunded are as follows:

Par Amount	\$3,534,000.00
Transfer from Bonds to be Refunded DSR Funds	457,525.73
Transfer from Bonds to be Refunded Debt Service Funds	<u>257,976.15</u>
TOTAL	<u>\$4,249,501.88</u>

(b) **Uses of Funds.** The sale proceeds of the Refunding Bonds, together with the other sources of funds described above, are expected to be needed and fully expended as follows:

(i) An amount of \$35,594.47 will be deposited in the Costs of Issuance Fund (the "*Costs of Issuance Fund*") established under the Ordinance and used to pay the costs of issuance of the Refunding Bonds; and

(ii) An amount of \$4,212,432.90 will be deposited with the paying agent for the Bonds to be Refunded and used on December 21, 2012 to pay the principal of and interest on the Bonds to be Refunded;

(iii) The sum of \$1,474.51 on deposit in the Bonds to be Refunded Debt Service Fund will be applied to the payment of administrative expenses of the Paying Agent.

Section 2.3 No Overissuance. The total proceeds to be received from the sale of the Refunding Bonds and anticipated investment earnings thereon do not exceed the total of the amount necessary to finance the governmental purposes for which the Refunding Bonds are issued as described above.

Section 2.4 Investment of Proceeds. No portion of the Refunding Bonds is being issued solely for the purpose of investing the proceeds at a yield higher than the yield on the Refunding Bonds or to replace funds which were used, directly or indirectly, to acquire investments with a yield higher than the yield on the Refunding Bonds.

Section 2.5 Funds and Accounts.

(a) General. The following funds and accounts are created and established under the Ordinance:

- (i) Revenue Fund;
- (ii) Renewal and Replacement Fund;
- (iii) Cost of Issuance Fund;
- (iv) Rebate Fund;
- (v) Sinking Fund; and
- (vi) Within the Sinking Fund, the Redemption Account.

The City certifies that the following subsections accurately reflect various matters relating to these funds and accounts.

(b) Revenue Fund. All monies received from time to time by the City from the operation of the parking system of the City are deposited into the Revenue Fund. From the Revenue Fund such monies are disbursed pursuant to Section 5.03A of the Ordinance. At no time were any proceeds of the Bonds to be Refunded on deposit in the Revenue Fund and no proceeds of the Refunding Bonds shall be deposited in the Revenue Fund.

(c) Renewal and Replacement Fund. A Renewal and Replacement Fund is created under the Ordinance, to be funded through monthly deposits of Gross Revenues deposited into the Revenue Fund. Absent an Event of Default on the Refunding Bonds, the Renewal and Replacement Fund is not expected to be used for the purpose of paying debt service on the Refunding Bonds. The City is required to deposit 2 1/2% of the Gross Revenues each month into the Renewal and Replacement Fund. Disbursements may be made from the Renewal and Replacement Fund at any time to pay for replacements, emergency repairs or improvements or extensions to the System. In the event the City experiences financial difficulties with respect to the System, it is not expected that the Renewal and Replacement Fund or any portion thereof will be available to pay debt service on the Refunding Bonds. Such moneys will be invested without restriction as to yield and are not subject to rebate.

(d) Costs of Issuance Fund. As described in Section 2.2(b)(ii) hereof, \$35,594.47 of the proceeds of the Refunding Bonds will be deposited in the Costs of Issuance Fund. If for any reason Refunding Bond proceeds deposited into the Costs of Issuance Fund, or any part thereof, are not necessary for, or are not applied to such purpose within 120 days following the date hereof, such unapplied proceeds will be transferred by the Issuer to the Sinking Fund and applied to the next ensuing payment of interest on the Refunding Bonds.

Proceeds of the Refunding Bonds deposited in the Costs of Issuance Fund generally may be invested at an unrestricted yield for a period of thirteen (13) months from the date hereof, and, thereafter, at a yield not materially higher than the yield on the Refunding Bonds. For investments of amounts described in the preceding sentence, the term "*materially higher*" means one-thousandth of one percentage point (.001%).

(e) Rebate Fund. The City has covenanted not to use moneys of any fund or account in connection with the Refunding Bonds in a manner which will cause the Refunding Bonds to be arbitrage bonds within the meaning of Section 148 of the Code. To that end, the Rebate Fund is created under the Ordinance and will be funded to the extent required either from transfers from the other funds or accounts or from the City's general funds. The Depository Bank shall deposit into the Rebate Fund any payments received in accordance with this Tax and Non-Arbitrage Certificate for purposes of paying rebate to the United States Treasury Department and so identified. The amount required to be held in the Rebate Fund at any point in time is determined pursuant to the requirements of the Code, including particularly Section 148(f) of the Code and the Treasury Regulations promulgated thereunder. Moneys in the Rebate Fund are neither pledged to nor expected to be used to pay debt service on the Refunding Bonds.

(f) Sinking Fund. The Sinking Fund will be used primarily to achieve a proper matching of revenues and debt service within each bond year. To the extent the Sinking Fund will be used to pay debt service on the Refunding Bonds, it is expected to be depleted at least once each bond year except for a reasonable carryover amount not to exceed the greater of (i) the earnings on investment of the moneys in these accounts for the immediately preceding bond year, or (ii) one-twelfth (1/12th) of the debt service on the Refunding Bonds for the immediately preceding bond year. Amounts deposited in the Sinking Fund will be expended to pay debt service on the Refunding Bonds within thirteen (13) months from the date of deposit therein pursuant to the Ordinance. The Sinking Fund is expected to constitute a "*bona fide debt service fund*" within the meaning of the Treasury Regulations.

Amounts deposited into the Sinking Fund for the purpose of paying current debt service on the Refunding Bonds may be invested at an unrestricted yield for a period not exceeding thirteen (13) months from the date of the first deposit of such amounts to such fund and, thereafter, at a yield not materially higher than the yield on the Refunding Bonds. For investments of amounts described in the preceding sentence, the term “*materially higher*” means one-thousandth of one percentage point (.001%). As long as the Sinking Fund qualifies as a bona fide debt service fund, amounts therein will not be subject to the arbitrage rebate requirements of Section 148(f) of the Code.

(g) Debt Service Reserve Fund. A Debt Service Reserve Fund has not been established for the Refunding Bonds and the Refunding Bonds have no Reserve Requirement.

(h) Redemption Account. The funds necessary to pay in full all principal and interest on the Bonds to be Refunded will be deposited with the Redemption Account held by the Paying Agent as described in Section 2.2(B)(2) above, and pursuant to a Prepayment Agreement, dated December 20, 2012, by and between the Issuer and the Paying Agent (the “Prepayment Agreement”) for the purpose of currently refunding and redeeming in full the Bonds to Be Refunded on December 21, 2012. The Redemption Account is created with the Paying Agent under the Ordinance. In the event moneys are deposited into the Redemption Account, to the extent they are not part of a “*bona fide debt service fund*” within the meaning of the Treasury Regulations, they will, to the extent the yield thereon exceeds the yield on the Refunding Bonds, be subject to rebate. Otherwise, they will be invested without restriction as to yield and are not subject to rebate.

Section 2.6 No Replacement. Other than proceeds of the Refunding Bonds, neither the City nor any person related to it within the meaning of Section 147(a) of the Code (a “*Related Person*”) has on hand any funds which could legally and practically be used for the purposes for which the Refunding Bonds are being issued which are not pledged, budgeted, earmarked or otherwise necessary to be used for other purposes. Accordingly, no portion of the proceeds of the Refunding Bonds will be used (i) directly or indirectly to replace funds of the City or any Related Person that could be used for the purpose for which the Refunding Bonds are being issued, or (ii) to replace any proceeds of any prior issuance of obligations by the City or any Related Person.

Section 2.7 No Other Sinking or Pledged Funds. Except for the Sinking Fund, no other funds or accounts have been or are expected to be established, and no moneys or property have been or are expected to be available or pledged (no matter where held or the source thereof) which are expected to be used or available to pay, directly or indirectly, principal or interest on the Refunding Bonds, or restricted so as to give reasonable assurance of their availability for such purposes.

Section 2.8 No Abusive Arbitrage Device. The City certifies, warrants and covenants that the Refunding Bonds are not and will not be part of a transaction or series of transactions that (i) attempts to circumvent the provisions of Section 148 of the Code and related Treasury Regulations, thereby enabling the City to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage, and (ii) overburdens the tax-exempt bond market in any manner, including, without limitation, issuing more bonds, issuing

bonds earlier, or allowing them to remain outstanding longer than is otherwise reasonably necessary to accomplish the governmental purpose of the Refunding Bonds.

Section 2.9 Temporary Period and Transferred Proceeds. The City acknowledges that pursuant to Section 149(d)(3)(A)(iv)(II) of the Code, any temporary period under Section 148(c) of the Code for the proceeds of the Bonds to be Refunded will end on the date hereof, and thus the yield on such proceeds will be restricted to a yield not materially higher than the yield on the Bonds to be Refunded.

Proceeds of the Bonds to be Refunded will become transferred proceeds of the Refunding Bonds when proceeds of the Refunding Bonds discharge the Bonds to be Refunded on December 21, 2012. When proceeds of the Bonds to be Refunded become transferred proceeds of the Refunding Bonds, the yield on such proceeds will be restricted to a yield not materially higher than the yield on the Refunding Bonds or the City will make timely yield reduction payments to reduce the yield on such proceeds to a yield not materially higher than the yield on the Refunding Bonds.

ARTICLE III

CALCULATION OF YIELD

Section 3.1 Yield. For purposes of this Tax and Non-Arbitrage Certificate, yield is calculated as set forth in Section 148(h) of the Code and Sections 1.148-4 and 1.148-5 of the Treasury Regulations. Thus, yield generally means that discount rate which, when used in computing the present value of all unconditionally payable payments of principal and interest with respect to an obligation and the cost of qualified guarantees (if any) paid and to be paid with respect to such obligation, produces an amount equal to the issue price of the obligation.

The City certifies that the Issue Price of the Refunding Bonds is \$3,534,000, which represents the price at which the Refunding Bonds were sold to the public (excluding bond houses, brokers and other intermediaries) plus accrued interest. For purposes hereof, yield shall be calculated on a 360-day year basis with interest compounded semiannually. The yield on the Refunding Bonds on an aggregate basis is at least 2.5175%.

ARTICLE IV

REBATE

Section 4.1 Undertakings. The City has covenanted to comply with certain requirements of the Code. The City acknowledges that the United States Department of the Treasury has issued Treasury Regulations with respect to these undertakings, including the proper method for computing whether any rebate amount is due the United States under Section 148(f) of the Code (i.e., Sections 1.148-0 through 1.148-11, 1.149(d)-1, 1.149(g)-1, 1.150-1 and 1.150-2 of the Treasury Regulations). The City covenants that it will undertake to determine (or have determined on its behalf) what is required with respect to the rebate provisions contained in Section 148(f) of the Code from time to time and will undertake to comply with any requirements that may be applicable to the Refunding Bonds. The City will undertake the methodology described in this Article IV of this Tax and Non-Arbitrage Certificate, except to the

extent inconsistent with any requirements of present or future law, regulations or future guidance issued by the United States Department of the Treasury or if the City receives an opinion of Bond Counsel.

Section 4.2 Rebate Fund. A special fund designated the “*Rebate Fund*” has been established pursuant to the Ordinance. The City shall keep the Rebate Fund separate and apart from all other funds and moneys held by it.

Section 4.3 Recordkeeping. Detailed records with respect to each and every Nonpurpose Investment attributable to Gross Proceeds (within the meaning of Section 1.148-1(b) of the Treasury Regulations) of the Refunding Bonds must be maintained by the City, including (i) purchase date, (ii) purchase price, (iii) any accrued interest paid, (iv) face amount, (v) coupon rate, (vi) periodicity of interest payments, (vii) disposition price, (viii) any accrued interest received, (ix) disposition date, and (x) broker’s fees. Such detailed record keeping is required for the calculation of the rebate amount (within the meaning of Section 1.148-3 of the Treasury Regulations) which, in part, will require a determination of the difference between the actual aggregate earnings of all Nonpurpose Investments and the amount of such earnings assuming a rate of return equal to the yield on the Refunding Bonds.

Section 4.4 Rebate Amount Calculation and Payment.

(a) The City represents, warrants and covenants that it will prepare or cause to be prepared a calculation of the rebate amount with respect to the Refunding Bonds consistent with the rules described in this Section 4.4. The City will prepare the calculation of the rebate amount (i) within fifty-five (55) days after the close of the fifth Bond Year and each fifth Bond Year thereafter so long as any Refunding Bonds remain unpaid, and (ii) within fifty-five (55) days after the first date on which there are no unpaid Refunding Bonds. Not later than fifty-five (55) days after the end of the fifth Bond Year and each fifth Bond Year thereafter so long as any Refunding Bond remains unpaid, and within fifty-five (55) days after the last Refunding Bond is paid, the City shall deposit an amount necessary to increase or decrease the sum held in the Rebate Fund to the rebate amount.

(b) For purposes of calculating the rebate amount (i) the aggregate amount earned with respect to a Nonpurpose Investment shall be determined by assuming that the Nonpurpose Investment was acquired for an amount equal to its value at the time it becomes a Nonpurpose Investment, and (ii) the aggregate amount earned with respect to any Nonpurpose Investment shall include any unrealized gain or loss with respect to the Nonpurpose Investment on the first date when there are no unpaid Refunding Bonds or when the investment ceases to be a Nonpurpose Investment.

(c) The Depository Bank shall pay to the United States Department of the Treasury, pursuant to instructions from the City, out of designated funds (i) not later than sixty (60) days after the end of each fifth Bond Year, a payment equal to at least ninety percent (90%) of the rebate amount with respect to the Refunding Bonds, calculated as of the end of such fifth Bond Year, and (ii) not later than sixty (60) days after the first date when there are no unpaid Refunding Bonds, an amount equal to one hundred percent (100%) of the rebate amount (determined as of the first date when there are no unpaid Refunding Bonds) plus any actual or

imputed earnings on such rebate amount, all as set forth in Sections 1.148-1 through 1.148-11 of the Treasury Regulations and as determined by or on behalf of the City.

(d) Each payment required to be made pursuant hereto and relating to the Refunding Bond shall be filed with the Internal Revenue Service Center designated in the then-applicable Internal Revenue Service forms and instructions, on or before the date such payment is due and shall be accompanied by Internal Revenue Service Form 8038-T or successor form. The City must retain records of the calculations required by this Section 4.4 until six (6) years after the retirement of the last obligation of the Refunding Bonds.

Section 4.5 Valuation of Investments.

(a) General Rule. Except as otherwise provided in this Section 4.5, for all purposes of Section 148 of the Code, the value of an investment allocated to the Refunding Bonds (including a payment or receipt on the investment) on a date must be determined using one of the following valuation methods:

(i) Outstanding Principal Amount Method. A plain par investment (as defined in Section 1.148-1(b) of the Treasury Regulations) may be valued at its outstanding stated principal amount, plus any accrued unpaid interest on that date.

(ii) Present Value Method. An investment whose yield is fixed and determinable on the issue date (a "*fixed rate investment*") may be valued at its present value on that date. Present value of an investment is computed under the economic accrual method, using the same compounding interval and financial conventions used to compute the yield on the Refunding Bonds (*i.e.*, 360-day year basis with interest compounded semiannually). The present value of an investment on a date is equal to the present value of all unconditionally payable receipts to be received from and payments to be paid for the investment after that date, using the yield on the investment as the discount rate.

(iii) Fair Market Value Method. An investment may be valued at its fair market value on that date. The fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's-length transaction. Fair market value generally is determined on the date on which a contract to purchase or sell the nonpurpose investment becomes binding (*i.e.*, the trade date rather than the settlement date). Except as otherwise provided in Subsections 4.5(e), (f) and (g) hereof, an investment that is not of a type traded on an established securities market, within the meaning of Section 1273 of the Code, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(b) Mandatory Valuation of Certain Investments at Fair Market Value. Except as provided in Subsections 4.5(c) and (d), an investment must be valued at fair market value on the date that it is first allocated to the Refunding Bonds or first ceases to be allocated to the Refunding Bonds as a consequence of a deemed acquisition or deemed disposition.

(c) Mandatory Valuation of Yield Restricted Investments at Present Value. Any yield restricted investment must be valued at present value.

(d) Transferred Proceeds Allocations, Universal Cap Allocations and Commingled Funds. Notwithstanding Subsection 4.5(b) hereof, an investment need not be valued at fair market value if it is allocated to the Refunding Bonds or ceases to be allocated to the Refunding Bonds as a result of the transferred proceeds allocation rule under Section 1.148-9(b) of the Treasury Regulations or the universal cap rule under Section 1.148-6(b)(2) of the Treasury Regulations. In addition, investments in a commingled fund (other than a bona fide debt service fund) need not be valued at fair market value unless it is a commingled fund described in Section 1.148-6(e)(5)(iii) of the Treasury Regulations.

(e) Certificates of Deposit. The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal will be treated as its fair market value on the purchase date if:

(i) the yield on the certificate of deposit is not less than the yield on reasonably comparable direct obligations of the United States; and

(ii) the yield on the certificate of deposit is not less than the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(f) Guaranteed Investment Contracts. The purchase price of a guaranteed investment contract will be treated as its fair market value on the purchase date if:

(i) the City has made (or had made on its behalf) a bona fide solicitation for a specified guaranteed investment contract and received at least three (3) bona fide bids from providers that have no material financial interest in the Refunding Bonds;

(ii) the City purchased (or had purchased on its behalf) the highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees);

(iii) the yield on the guaranteed investment contract (determined net of broker's fees) is not less than the yield then available from the provider on reasonably comparable guaranteed investment contract, if any, offered to other persons from a source of funds other than gross proceeds of tax-exempt bonds;

(iv) the determination of the terms of the guaranteed investment contract took into account as a significant factor the City's reasonably expected drawdown schedule for the amounts to be invested, exclusive of amounts deposited in debt service funds and reasonably required reserve or replacement funds;

(v) the terms of the guaranteed investment contract, including collateral security requirements, are reasonable; and

(vi) the provider of the guaranteed investment contract certified the administrative costs that it paid (or expects to pay) to third parties in connection with the guaranteed investment contract.

(g) United States Treasury Obligations. The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

Section 4.6 Segregation of Proceeds. In order to perform the calculations required by the Code, it is necessary to track separately all of the Gross Proceeds. To that end, the City hereby agrees to establish separate funds, accounts or subaccounts or take other accounting measures in order to account fully for all Gross Proceeds.

Section 4.7 Filing Requirements. The City shall file or cause to be filed such reports or other documents with the Internal Revenue Service as may be required by the Code from time to time (e.g., Form 8038-G and Form 8038-T).

ARTICLE V

OTHER MATTERS

Section 5.1 Authority. The undersigned is an authorized representative of the City and is acting for and on behalf of the City in executing this Tax and Non-Arbitrage Certificate. To the best of the knowledge and belief of the undersigned representatives of the City, there are no other facts, estimates or circumstances that would materially change the expectations as set forth herein, and said expectations are reasonable.

Section 5.2 Tax Compliance Policies. The City agrees and covenant to use the Post-Issuance Compliance Policies set forth in Exhibit A hereof to monitor its compliance with the Code and Regulations and other rules that must be complied with (the "*Tax Exempt Rules*") while the Bonds are outstanding to ensure that the interest on said bonds remain exempt from gross income for federal income tax purposes. The City further agrees and understands that if the Tax Exempt Rules are not complied with, the City may use the remedial actions set forth in Regulations §1.141-12, or may use the voluntary closing agreement process of the Internal Revenue Service in order to bring the Bonds into compliance with the Tax Exempt Rules.

Section 5.3 Amendment and Supplementation.

(a) Notwithstanding any other provision herein, the parties hereby agree to amend, supplement or modify this Tax and Non-Arbitrage Certificate to the extent necessary to maintain the exclusion of interest on the Refunding Bonds from gross income for federal tax purposes as required pursuant to an opinion of Bond Counsel.

(b) Notwithstanding any other provision herein, if the parties request an amendment, supplementation or modification hereto, this Tax and Non-Arbitrage Certificate shall be so amended, supplemented or modified only if accompanied by an opinion of Bond Counsel.

Section 5.4 Severability. If any provision of this Tax and Non-Arbitrage Certificate (including all accompanying certificates) shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

Section 5.5 Multiple Counterparts. This Tax and Non-Arbitrage Certificate may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

Section 5.6 Survival of Defeasance. Notwithstanding anything in this Tax and Non-Arbitrage Certificate or any other provisions of the Ordinance to the contrary, the obligation to remit the rebate amount to the United States Department of the Treasury and to comply with all other requirements contained in this Tax and Non-Arbitrage Certificate shall survive the defeasance or payment in full of the Refunding Bonds.

Section 5.7 Permitted Changes; Opinion of Bond Counsel. The yield restrictions contained in Section 2.5 or any other restriction or covenant contained herein need not be observed or may be changed if the City receives an opinion of Bond Counsel to the effect that such noncompliance or change will not adversely affect the exclusion of interest on the Refunding Bonds for federal income tax purposes.

Section 5.8 Successors and Assigns. The terms, provisions, covenants and conditions of this Tax and Non-Arbitrage Certificate shall bind and inure to the benefit of the respective successors and assigns of the City.

Section 5.9 Headings. The headings of this Tax and Non-Arbitrage Certificate are inserted for convenience only and shall not be deemed to constitute a part of this Tax and Non-Arbitrage Certificate.

[Signature page follows.]

DATED as of this 20th day of December, 2012.

THE CITY OF MORGANTOWN

By: 
Its: Mayor

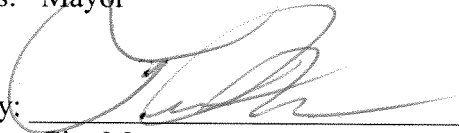
By: 
Its: City Manager

EXHIBIT A

TAX COMPLIANCE POLICIES

Purpose

Issuers of tax-exempt bonds must comply with federal tax rules pertaining to expenditure of proceeds for qualified costs, rate of expenditure, use of bond financed property, investment of proceeds in compliance with arbitrage rules, and retention of records. The following policies are intended to establish compliance by The City of Morgantown (the “City”) with these rules in connection with the issuance of the City’s Parking Refunding Revenue Bonds, Series 2012 (the “Series 2012 Bonds”).

Tax Requirements Associated with Sale and Issuance of Bonds

Review and retention of tax documents related to the sale and issuance of the Series 2012 Bonds will be supervised by the Director of Finance of the City or his/her designee (the “*Oversight Officer*”).

- Form 8038G (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 8038G will be confirmed with bond counsel.

Expenditure of Proceeds for Qualified Costs

The proceeds of the Series 2012 Bonds will be applied to the refunding and redemption in full of the City’s outstanding Parking Revenue Bonds, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000 (the “Series 2002 Bonds”) and to pay costs of issuance of the Series 2012 Bonds.

Records relating to the expenditure of the proceeds of the Series 2002 Bonds will be maintained by the Oversight Officer. In addition, expenditure of proceeds of the Series 2012 Bonds will be reviewed by the Oversight Officer. The Oversight Officer will adhere to the following procedures in connection with such expenditures:

- All requisitions of the proceeds of the Series 2002 Bonds shall be maintained with the City’s records in connection with the Series 2012 Bonds and for the period in which the City maintains records in connection with the Series 2012 Bonds as described herein. All disbursement of proceeds of the Series 2012 Bonds must be based upon a requisition prepared by the City which clearly identifies the purpose for the expenditure.
- Requisitions must identify the financed property in conformity with the Tax and Non-Arbitrage Certificate executed by the Issuer in connection with the Series

2002 Bonds, 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 Series 2002 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 of the Series 2002 Bonds were used for reimbursement, a copy of the declaration will be obtained and included in the records for the Series 2012 Bonds, if not already part of the bond transcript.
- Requisitions for the Series 2002 Bonds should be summarized in a “final allocation” of proceeds to uses not later than 18 months after the in-service date of the financed property (and in any event not later than 5 years and 60 days after the issuance of the Series 2002 Bonds). Such summary shall be retained and maintained with the records and files for the Series 2012 Bonds for the period described herein for the Series 2012 Bonds.
- Expenditure of proceeds of the Series 2002 Bonds was required to be monitored against the Tax and Non-Arbitrage Certificate 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 of the Series 2002 Bonds. Expected expenditure schedules, project timelines, and plans and specifications were to be maintained to support expectations. The actual expenditure schedule for the Series 2002 Bonds shall be retained and maintained with the files and records for the Series 2012 Bonds for the period described herein for the Series 2012 Bonds. In the event that the expectations as to the expenditure schedule were not met the City will maintain the documented reasons for such failure with the records and files for the Series 2012 Bonds for the period described herein for the Series 2012 Bonds.
- If the 18-month spending exception to rebate applied with respect to the Series 2002 Bonds, expenditure of gross proceeds was to proceed within 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 applied with respect to the Series 2002 Bonds, expenditure of “available construction proceeds” was to proceed within 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

- The City will maintain with its records and files for the Series 2012 Bonds for the period described herein for the Series 2012 Bonds the actual expenditure schedule for the proceeds of the Series 2002 Bonds and a finding as to the spending exception to rebate, if any, which applied to the Series 2002 Bonds.

Expenditure of Proceeds

In addition to the general review of expenditures described above, expenditure of proceeds of the Series 2012 Bonds will be reviewed by the Oversight Officer.

- Only a small portion (5%) of the proceeds of the Series 2012 Bonds can be used for operating expenses or other “working capital” costs. Accordingly, expenditures of the proceeds of the Series 2012 Bonds will be monitored to confirm that such proceeds are only applied to the refunding and redemption in full of the Series 2002 Bonds and the payment of costs of issuance of the Series 2012 Bonds.
- Investment earnings on sale proceeds of the Series 2012 Bonds will be tracked and will be applied only to complete the refunding of the Series 2002 Bonds and to pay debt service on the Series 2012 Bonds as the same becomes due and payable.

Use of Bond-Financed Property

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

- Average nonexempt use of bond-financed property over the life of the issue cannot exceed 10% of the proceeds.
- Agreements with business users or non-profit organizations for lease or management or services contracts, sponsored research, naming rights or any other potential nonexempt use of bond-financed property will be reviewed prior to execution of any contract to determine if property is bond-financed.
- Agreements with business users or other non-profit organizations for lease or management or services contracts or other private business use involving bond-financed property will be tracked and aggregated with other private business uses for compliance with the 10% limit, as set forth in the Tax and Arbitrage Certificate for the Series 2012 Bonds.
- 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.

Refundings

In the case of bonds used to refund one or more issues of prior bonds, continuing compliance with the expenditures of the prior bond proceeds, use of facilities financed with prior bond proceeds and arbitrage and rebate restrictions will be reviewed by the Oversight Officer.

- Current refundings - confirm that bond proceeds used to pay debt service on prior bonds within 90 days after issuance of the refunding bonds.
- Advance refundings – confirm that bond proceeds in refunding escrow are not invested at a yield higher than the bond yield.
- Bonds will not be treated as refunding bonds if, within six months before or after a person assumes obligations of an unrelated party in connection with an asset acquisition, such person refinances those obligations. This would also include a significant modification of the refunding bonds that could lead to a “reissuance” under general tax rules.

Investments and IRS Filings

Investment of proceeds of the Series 2012 Bonds in compliance with the arbitrage bond rules and rebate of arbitrage will be supervised by the Oversight Officer.

- Guaranteed investment contracts (“GICs”) 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.
- Refunding escrows will be established in accordance with Income Tax Regulations and yield on any transferred proceeds from prior bond issue(s) will be monitored so that they comply with yield restrictions.
- 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.
- 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 Series 2012 Bonds include transcript of documents executed in connection with the issuance of the bonds (including authorizing resolutions, Form 8038G, and Tax and 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, Depository Bank statements and final allocation of proceeds.
- Retainable records pertaining to use of property include all agreements reviewed for nonexempt use.
- Retainable records pertaining to investments include GIC documents under the Income Tax Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

Overall Responsibility

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

Certificate of Registrar

CITY OF MORGANTOWN

Parking System Refunding Revenue Bonds, Series 2012

CERTIFICATE OF REGISTRAR

UNITED BANK, INC., Morgantown, West Virginia (the "Bank"), as Registrar for the above-captioned Bonds (the "Bonds"), hereby certifies as follows, all capitalized terms used herein to have the same meanings set forth in the Ordinance of The City of Morgantown (the "Issuer") enacted July 3, 2012, as supplemented by the Supplemental Parameters Resolution adopted by the Issuer on November 5, 2012 (the "Ordinance"):

1. The Bank is a state banking corporation duly organized, validly existing, and in good standing under the laws of the State of West Virginia, may lawfully conduct business in West Virginia, and is lawfully empowered, pursuant to such laws, to accept the duties and obligations contemplated and as provided under the Ordinance and to serve in the capacity of Registrar under the Ordinance.

2. The Bank has duly authorized, by all necessary action, the authentication of the Bonds and the execution and delivery of this Certificate and the acceptance of all duties of Registrar under the Ordinance, and any and all other documents and agreements as may be required to be executed, delivered and received by the Bank in order to carry out, give effect to, and consummate the transactions contemplated thereby.

3. The person indicated in paragraph 4 below was at the time of the authentication of the Bonds, and is now, a duly elected, qualified and acting incumbent in his office; and, pursuant to authorization from the Board of Directors of the Bank, such person, in his or her official capacity, was and is authorized to authenticate the Bonds for and on behalf of the Bank.

4. Appearing opposite the name and title of the person indicated below is a true and correct specimen of his or her signature.

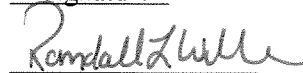
Name

Title

Signature

Randall L. Williams

Senior Vice President



5. There have been delivered to the Bank all of the documents listed in Section 3.12 of the Ordinance; the Bonds have been duly authenticated, registered and delivered to the Purchaser, and the proceeds of the Bonds have been deposited as required by the Ordinance.

IN WITNESS WHEREOF, UNITED BANK, INC. has caused this Certificate to be executed by a duly authorized officer, this December 20, 2012.

UNITED BANK, INC.

By: Ronald D. Wille

Its SR VICE PRESIDENT

Certificate of Purchaser

CITY OF MORGANTOWN

Parking System Refunding Revenue Bonds, Series 2012

CERTIFICATE OF PURCHASER

UNITED BANK, INC., Morgantown, West Virginia (the "Purchaser"), as original purchaser from The City of Morgantown (the "Issuer") of the above-captioned Bonds (the "Bonds"), hereby certifies as follows:

(a) We are purchasing the Bonds for our own portfolio and none of the Bonds have been the subject of an initial offering to the public. We do not intend to divide the Bonds purchased by us nor to resell or otherwise dispose of all or any part of the Bonds purchased by us, except as permitted by law on a basis of full disclosure to any subsequent holder of the Bonds and subject to applicable securities laws and regulations thereunder.

(b) Attached hereto as **Exhibit A** is the debt service schedule for the Bonds.

(c) The weighted average maturity of the Bonds is less than 4.8579 years and the remaining weighted average maturity of the Issuer's Parking Revenue Bonds, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000 (the "Series 2002 Bonds") is less than 5.5301 years.

(d) The Bonds bear interest at a fixed interest rate of 2.50% per annum.

(e) This certificate may be relied upon by the Issuer with respect to its Certificate as to Arbitrage relating to the Bonds, and by Steptoe & Johnson PLLC in rendering their tax opinion with respect to the Bonds.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, UNITED BANK, INC. has caused this Certificate to be executed by a duly authorized officer, this December 20, 2012.

UNITED BANK, INC.

By: 
Its: Senior Vice President

EXHIBIT A

<u>Payment Date</u>	<u>Payment Amount</u>
June 1, 2013	\$220,193.30
December 1, 2013	\$220,193.30
June 1, 2014	\$220,193.30
December 1, 2014	\$220,193.30
June 1, 2015	\$220,193.30
December 1, 2015	\$220,193.30
June 1, 2016	\$220,193.30
December 1, 2016	\$220,193.30
June 1, 2017	\$220,193.30
December 1, 2017	\$220,193.30
June 1, 2018	\$220,193.30
December 1, 2018	\$220,193.30
June 1, 2019	\$220,193.30
December 1, 2019	\$220,193.30
June 1, 2020	\$220,193.30
December 1, 2020	\$220,193.30
June 1, 2021	\$220,193.30
December 1, 2021	\$220,193.30



Tetrick & Bartlett, PLLC
*Certified Public Accountants
Consultants*

122 N. Oak St. • PO Box 1916 • Clarksburg, WV 26302-1916 • (304) 624-5564 • Fax: (304) 624-5582 • www.tetrickbartlett.com

December 20, 2012

The City of Morgantown
Parking Refunding Revenue Bonds, Series 2012

The City of Morgantown
Morgantown, West Virginia

United Bank, Inc.
Morgantown, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

RE: CPA CERTIFICATE

Ladies and Gentlemen:

The City of Morgantown (the "Issuer") has issued its Parking Refunding Revenue Bonds, Series 2012, dated December 20, 2012, issued in the original aggregate principal amount of \$3,534,000.00 (the "Refunding Bonds"), for the purpose of repaying in full on December 21, 2012 (the "Redemption Date") the Issuer's outstanding Parking Revenue Bonds, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000, of which \$4,125,979.04 is currently outstanding (the "Bonds to be Refunded"). We have been engaged by the Issuer to determine if the amount of saving stated to be achieved by the refunding shall in fact be achieved in accordance with W.Va. Code § 13-2E-6.

Based upon our review, comparison and analysis of the net interest cost in dollars of the Refunding Bonds and the Net Interest Cost in dollars of the Bonds to be Refunded, the net present value debt service savings anticipated to be realized by the Issuer pursuant to the issuance by the Issuer of the Refunding Bonds and the redemption in full of the Bonds to be Refunded on the Redemption Date is \$811,468.09.

Sincerely,

Tetrick & Bartlett, PLLC

Tetrick & Bartlett, PLLC

Prepayment Agreement

The City of Morgantown Parking System Refunding Revenue Bonds, Series 2012

PREPAYMENT AGREEMENT FOR SERIES 2002 BONDS

This **PREPAYMENT AGREEMENT** (the “Agreement”), made and entered into as of December 20, 2012, by and between **THE CITY OF MORGANTOWN**, a municipal corporation and political subdivision of the State of West Virginia (the “Issuer”) and the **WEST VIRGINIA MUNICIPAL BOND COMMISSION** (the “Paying Agent”, the “Prepayment Agent” or “Prepayment Trustee”).

WITNESETH THAT:

WHEREAS, the Issuer has determined to issue its Parking System Refunding Revenue Bonds, Series 2012, dated December 20, 2012, in the aggregate principal amount of \$3,534,000 (the “Series 2012 Bonds”) and contemporaneously therewith defease its Parking Revenue Bonds, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000 of which \$4,125,979.04 is currently outstanding (the “Series 2002 Bonds”);

WHEREAS, the Issuer intends to defease all of the Series 2002 Bonds currently outstanding by depositing with the Prepayment Agent on December 20, 2012 (the “Closing Date”) a portion of the proceeds of the Series 2012 Bonds in the amount of \$3,498,405.53, which amount will be combined by the Prepayment Agent with funds on deposit with the Prepayment Agent in the Sinking Fund and in the Reserve Account for the Series 2002 Bonds in the total amount of \$714,027.37, which amounts will be deposited by the Prepayment Agent in an account to be created and known as the “Series 2002 Bonds Prepayment Fund”;

WHEREAS, the cumulative amount deposited in the Series 2002 Bonds Prepayment Fund from proceeds of the Series 2012 Bonds and the funds on deposit with the Prepayment Agent in the Sinking Fund and the Reserve Account for the Series 2002 Bonds (total of \$4,212,432.90) shall collectively be known as the “Redemption Deposit Amount”;

WHEREAS, the Redemption Deposit Amount is in such amount as to insure the payment on December 21, 2012 (the “Redemption Date”), pursuant to the Bond Ordinance enacted by the Issuer on July 3, 2012, as supplemented by the Supplemental Parameters Resolution adopted by the Issuer on November 5, 2012 (collectively, the “Bond Ordinance”), of the entire principal amount of the Series 2002 Bonds then outstanding, including any premium, and all interest accrued thereon (collectively, the “Redemption Price”); and

WHEREAS, on the Redemption Date the Paying Agent shall tender and pay to United Bank, Inc., as the sole registered owner of the entire principal amount of the Series 2002

Bonds (the “Bondholder”) from the Redemption Deposit Account the Redemption Price upon presentation of such Series 2002 Bonds to the Prepayment Agent for payment in accordance with the Bond Ordinance;

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and in order further to secure payment of the Series 2002 Bonds, as heretofore provided, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives, successors and assigns, as follows:

1. The Prepayment Agent shall create the Series 2002 Bonds Prepayment Fund separate and apart from all other funds or accounts of the Prepayment Agent.
2. The Issuer shall deposit the sum of \$3,498,405.53 from proceeds of the Series 2012 Bonds with the Prepayment Agent on the Closing Date and such amount shall constitute an irrevocable deposit of such moneys in trust for, and such moneys shall be deposited by the Prepayment Agent in the Series 2002 Bonds Prepayment Fund to be applied by the Prepayment Agent for the sole purpose of currently refunding and redeeming in full the Series 2002 Bonds on the Redemption Date.
3. The Prepayment Agent shall transfer, on the Closing Date, the sum of \$256,501.64 from the Sinking Fund for the Series 2002 Bonds to the Series 2002 Bonds Prepayment Fund.
4. The Prepayment Agent shall transfer, on the Closing Date, the sum of \$457,525.73, from the Reserve Account for the Series 2002 Bonds to the Series 2002 Bonds Prepayment Fund.
5. Surplus amounts remaining in the Sinking Fund for the Series 2002 Bonds in the amount of \$1,474.51 shall be applied to fees due and owing the Prepayment Agent with respect to the Series 2002 Bonds.
6. The cumulative amounts deposited from the Series 2012 Bonds, the Sinking Fund and the Reserve Account for the Series 2002 Bonds into the Series 2002 Bonds Prepayment Fund (cumulative total of \$4,212,432.90) shall collectively be known as the “Redemption Deposit Amount”.
7. The Redemption Deposit Amount shall be sufficient to pay the Redemption Price in full on the Redemption Date.
8. The Prepayment Agent has provided a redemption notice to the Bondholder pursuant to Section 3.14 of the Bond Ordinance.
9. The holders of the Series 2002 Bonds shall have an express lien on all moneys and assets in the Sinking Fund and in the Reserve Account for the Series 2002 Bonds and in the Series 2002 Bonds Prepayment Fund, until paid out, used and applied in accordance with this Agreement.

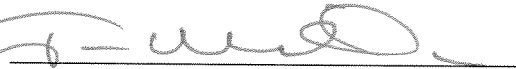
10. On the Redemption Date the Prepayment Agent shall pay the Redemption Price to the Bondholder upon presentation of and surrender of such Series 2002 Bonds to the Prepayment Agent for payment in accordance with the Bond Ordinance.
11. This Agreement shall terminate on the date on which all the Outstanding Series 2002 Bonds have been redeemed, paid in full and discharged. Upon termination of this Agreement, any moneys remaining after payment of fees of the Prepayment Agent shall be transferred by the Prepayment Agent to the Paying Agent for deposit into the Series 2012 Bonds Sinking Fund of the Series 2012 Bonds.
12. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.
13. This Agreement is made in the State of West Virginia under the Constitution and laws of such State and is to be so construed.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

THE CITY OF MORGANTOWN

By: 
Its: City Manager

By: 
Its: Mayor

WEST VIRGINIA MUNICIPAL BOND COMMISSION

By: _____
Its: Executive Director

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

THE CITY OF MORGANTOWN

By: _____
Its: City Manager

By: _____
Its: Mayor

WEST VIRGINIA MUNICIPAL BOND COMMISSION

By:  _____
Its: Executive Director

WEST VIRGINIA MUNICIPAL BOND COMMISSION

Notice of TOTAL Redemption - Conditional

To the Holders of

\$6,000,000

**City of Morgantown (West Virginia)
Parking Revenue Bonds, Series 2002**

Dated: December 12, 2002

<u>MATURITY DATE</u>	<u>PRINCIPAL</u>	<u>RATE</u>	<u>Loan Ref#</u>
1/1/2024	\$4,125,979.04	4.42%	7515349-0101

Pursuant to the provisions of the Bond Ordinance enacted by The City of Morgantown (the “Issuer”) on December 3, 2002, as supplemented (the “Bond Ordinance”) directing the issuance of the Issuer’s Parking Revenue Bonds, Series 2002, dated December 12, 2002, issued in the original aggregate principal amount of \$6,000,000 (the “Bonds”), the above referenced Bonds are hereby called for redemption at 100%, plus accrued interest, on December 21, 2012.

SUCH REDEMPTION IS CONDITIONAL UPON SETTLEMENT AND TO THE DEPOSIT WITH THE PAYING AGENT OF MONIES SUFFICIENT TO EFFECT SUCH REDEMPTION ON DECEMBER 20, 2012 BY 3:00 PM. THIS NOTICE WILL BE OF NO EFFECT UNLESS SUCH MONIES ARE TIMELY DEPOSITED.

United Bank is hereby directed to **forward** all global certificates for the Bonds to the following address on or prior to the December 21, 2012 redemption date:

West Virginia Municipal Bond
Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25302

No representation is made as to the correctness of the loan reference number on the bonds in this notice.

By: West Virginia Municipal Bond
Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25302

Dated: **December 10, 2012**

Receipt and Release

CITY OF MORGANTOWN

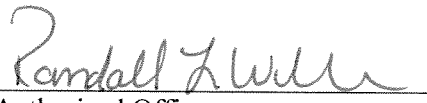
Parking System Refunding Revenue Bonds, Series 2012

RECEIPT OF PAYMENT OF SERIES 2002 BONDS

The undersigned duly authorized representative of United Bank, Inc., Morgantown, West Virginia (the "Bank"), the Holder of the entire aggregate principal amount of the City of Morgantown Parking Revenue Bonds, Series 2002, dated December 12, 2002 issued in the original aggregate principal amount of \$6,000,000 (the "Series 2002 Bonds") hereby certifies and declares that on December 21, 2012, the Bank received from The City of Morgantown (the "Issuer") the sum of \$4,212,432.90 and that such sum is sufficient to pay in full the entire outstanding principal of and all accrued interest on the Series 2002 Bonds to the date hereof and to discharge all liens, pledges and encumbrances securing the Series 2002 Bonds.

Dated this December 20, 2012.

UNITED BANK, INC.

By: 
Its: Authorized Officer

CITY OF MORGANTOWN

Parking System Refunding Revenue Bonds, Series 2012

REGISTRAR'S AGREEMENT

This REGISTRAR'S AGREEMENT, dated as of December 20, 2012, by and between THE CITY OF MORGANTOWN, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and UNITED BANK, INC., Morgantown, West Virginia (the "Bank"), a West Virginia banking corporation, as Registrar under an Ordinance of the Issuer enacted July 3, 2012, as supplemented by a Supplemental Parameters Resolution adopted by the Issuer on November 5, 2012 (the "Ordinance").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$3,534,000 aggregate principal amount of Parking System Refunding Revenue Bonds, Series 2012, in fully registered form (the "Bonds"), pursuant to the Ordinance;

WHEREAS, capitalized words and terms used in this Agreement and not otherwise defined herein shall have the respective meanings given them in the Ordinance;

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

WHEREAS, the Issuer desires to appoint, and by the Ordinance, the Certificate of Determinations of the Issuer dated December 20, 2012 (the "Certificate of Determinations") and this Agreement does appoint the Bank to act as Registrar under the Ordinance and to take certain other actions hereinafter set forth;

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

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

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

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

4. As compensation for acting as Registrar pursuant to this Agreement and the Ordinance, the Issuer hereby agrees to pay to the Bank, from time to time, reasonable compensation for services rendered in accordance with the Bank's customary schedule of compensation for such services and reimbursement for reasonable expenses incurred in connection therewith.

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

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

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

ISSUER: The City of Morgantown
 City Hall
 389 Spruce Street
 Morgantown, WV 26505
 Attention: City Manager

BANK: United Bank, Inc.
 990 Elmer Prince Drive
 Morgantown, WV 26505
 Attention: Senior Vice President

8. The Bank, as Registrar, is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Ordinance.

[Remainder of Page Intentionally Blank]

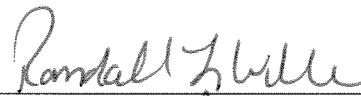
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective authorized officers, all as of the day and year first above-written.

THE CITY OF MORGANTOWN

By: 
Its Mayor

By: 
Its City Manager

UNITED BANK, INC.

By: 
Its SERVICE PRESIDENT

Acceptance of Depository Bank

CITY OF MORGANTOWN

Parking System Refunding Revenue Bonds, Series 2012

ACCEPTANCE OF APPOINTMENT OF DEPOSITORY BANK

UNITED BANK, INC., Morgantown, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance enacted by The City of Morgantown (the "Issuer") on July 3, 2012, as supplemented by a Supplemental Parameters Resolution adopted by the Issuer on November 5, 2012 (collectively, the "Ordinance"), authorizing issuance of the Issuer's Parking System Refunding Revenue Bonds, Series 2012, dated December 20, 2012, in the aggregate principal amount of \$3,534,000 (the "Bonds"), and agrees to serve as Depository Bank in connection with the Bonds, all as set forth in the Ordinance.

Dated this 20th day of December, 2012.

UNITED BANK, INC.

By: Randall L. Wilk

Its SE VICE PRESIDENT



DISCUSSION DRAFT - TERMS SHEET

October 23, 2012

City of Morgantown
c/o J.R. Sabatelli, Director of Finance
389 Spruce Street
Morgantown, WV 26505

Dear J.R.:

United Bank, Inc. (hereinafter referred to as "Bank") is pleased to provide the following proposal letter to the City of Morgantown (hereinafter referred to as "Borrower") under the following terms and conditions:

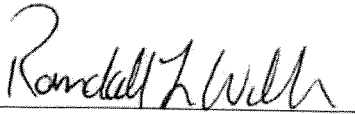
- Borrower:** City of Morgantown
- Principal Amount:** up to \$3,800,000 after reduction of the current balance of the Bonds by the balance of the "Sinking Fund"
- Purpose:** The purpose is to modify the interest rate and fix the rate for the remaining term of the existing Bonds issued December 12, 2002 with an original principal balance of \$6,000,000 and remove the "Reserve Fund" requirement for the remaining term of the loan.
- Term/Repayment:** The modified term will be up to 9 years of semi-annual principal and interest payments, with the first payment due 6 months following the closing.
- Interest Rate:** The modified interest rate will be fixed at 2.50% for the term of the loan. This rate is based on the Bonds being issued as qualified tax-exempt obligations pursuant to Section 265(b)3 of the Internal Revenue Code.
- Fees:**
- | | |
|-------------|--------------------------|
| Bank Fee: | \$0 |
| Legal fees: | As assessed by attorney. |
- Approval of Documentation:** This proposal is subject to approval of all documentation in connection with the financing transaction by Bank and by Bank's legal counsel.
- Other Conditions:** Conditions precedent to our willingness to extend said loan is listed as follows, but are not limited to these terms and conditions. Those matters not covered by or made clear in this proposal are subject to mutual agreement of the parties.

The terms and conditions of this proposal are not limited to the above terms and conditions. Those matters not covered by or made clear in the above outline are subject to mutual agreement of the parties.

The proposal is conditional upon the preparation, execution and delivery to us of the legal documentation in form and substance satisfactory to us and our counsel incorporating substantially the terms and conditions outlined or referred to above.

If you have any questions or need additional assistance, please contact me at (304)581-6004.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Randall L. Williams", written over a horizontal line.

Randall L. Williams
Senior Vice President



Bank Investment Letter

December 20, 2012

The City of Morgantown
Parking Refunding Revenue Bonds, Series 2012

The City of Morgantown
Morgantown, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

The undersigned, duly authorized representative of UNITED BANK, INC., Morgantown, West Virginia (the "Purchaser"), for and on behalf of the Purchaser in connection with the purchase by the Purchaser of \$3,534,000 aggregate principal amount of the Parking Refunding Revenue Bonds, Series 2002 (the "Bonds"), issued by the City of Morgantown (the "Issuer") on the date hereof, pursuant to a Bond Ordinance enacted by the Issuer on July 3, 2012, as supplemented by the Supplemental Resolution adopted by the Issuer on November 5, 2012 (the "Ordinance"), hereby makes the following representations and warranties to you. All capitalized terms used herein and not defined herein shall have the meanings ascribed to such terms in the Ordinance.

1. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by our purchase of the Bonds, and our net worth and available assets are such that we are able to bear the economic risk of our purchase of the Bonds.

2. We understand that the entire principal of and interest on the Bonds are payable by the Issuer solely from the Net Revenues of the System (all as defined in the Ordinance); that the Bonds are special and limited obligations of the Issuer and are not general obligations or secured by any obligation or pledge of any monies received or to be received by the Issuer other than the Net Revenues; that additional bonds may be issued which will also be payable from such Net Revenues on parity with the Bonds; that the Bonds do not now and shall never constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation.

3. We understand that no official statement, prospectus, offering circular or other offering statement containing material information with respect to the Issuer, the System or the Bonds is being issued, that the Bonds are unrated, and that in due diligence, we have made our own inquiry and analysis with respect to the Issuer, the System, the project financed with the proceeds of the Series 2002 Bonds, the Bonds and the security

6154804

therefor, and other material factors affecting the security for and payment of the Bonds, and are relying solely on such inquiry and analysis in our purchase of the Bonds.

4. We acknowledge that during the course of the transaction and prior to the sale of the Bonds, we have requested or have had access to information, including financial statements, pro-forma calculations and other financial information, to which a reasonable investor would attach significance in making investment decisions, and we have had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Issuer, the System, the Project, the Bonds and the security therefor, so that as a reasonable investor, we have been able to make our decision to purchase the Bonds. No such information requested by us has been denied to us.

5. Because of our experience in financial and business matters, we believe that we are qualified to make the inquiry and analysis described in paragraph 3 and to understand fully the documents and information described in paragraph 4.

6. We understand that the Internal Revenue Code of 1986, as amended (the "Code"), prescribes satisfaction of several requirements in order that interest on the Bonds be and remain excludable from gross income of the registered owners thereof for federal income tax purposes, some of which apply after issuance of the Bonds, and that noncompliance by the Issuer with certain of such requirements could cause interest on the Bonds to be includable in gross income for federal income tax purposes and thus, subject to federal income taxation retroactively to the date hereof. We also understand that under the Code, interest on obligations, such as the Bonds, which are not "private activity bonds," are not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations by Section 55 of the Code, but that a provision of the Code which is applicable to corporations (as defined for federal income tax purposes), and which would impose an alternative minimum tax on a portion of the excess of adjusted net book income over pre-book alternative minimum taxable income, could subject part of the interest on the Bonds received by corporations to such corporate alternative minimum tax.

7. We understand that the Bonds (a) are not being registered under the Securities Act of 1933, as amended, and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed on any stock or other securities exchange, (c) will carry no rating from any rating service, and (d) may be resold or assigned only to financial institutions who meet the criteria set forth herein and who, as a condition to such purchase or assignment, deliver an executed letter substantially in the form hereof to Steptoe & Johnson PLLC, Charleston, West Virginia.

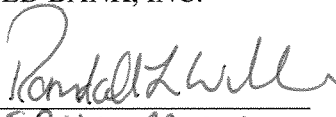
8. We are an "accredited investor" within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D [17 CFR § 230.501] under the Securities Act and we are purchasing the Bonds in their entirety for ourselves.

9. We are purchasing the Bonds for investment in our own account and do not intend to divide the Bonds purchased by us nor to resell or otherwise dispose of all or any part of the Bonds purchased by us, except as permitted by law on a basis of full disclosure to any subsequent holder of the Bonds and subject to applicable securities laws and regulations thereunder.

10. We have had the opportunity to consult with and be advised by legal counsel as to the significance of this letter and we have satisfied ourselves that the Bonds are a lawful investment for us under all applicable laws.

Very truly yours,

UNITED BANK, INC.

By: 
Its: SR VICE PRESIDENT

627490/00046

6154804