

**\$512,000
CITY OF OAK HILL
SEWER REVENUE BONDS,
SERIES 2017 C
(ARBUCKLE PUBLIC SERVICE DISTRICT)**

Closing Date: September 20, 2017



CITY OF OAK HILL
SEWER REVENUE BONDS,
SERIES 2017 C (ARBUCKLE PUBLIC SERVICE DISTRICT)

BOND ORDINANCE

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**CITY OF OAK HILL
SEWER REVENUE BONDS,
SERIES 2017 C (ARBUCKLE PUBLIC SERVICE DISTRICT)**

BOND ORDINANCE

ORDINANCE AUTHORIZING THE ACQUISITION OF CERTAIN ASSETS OF ARBUCKLE PUBLIC SERVICE DISTRICT AS ADDITIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF THE CITY OF OAK HILL AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF OAK HILL OF NOT MORE THAN SIX HUNDRED THOUSAND DOLLARS (\$600,000.00) IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF OAK HILL SEWER REVENUE BONDS TO BE DESIGNATED SEWER REVENUE BONDS, "SERIES 2017 C (ARBUCKLE PUBLIC SERVICE DISTRICT)"; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS; ADOPTING OTHER PROVISIONS RELATING THERETO; AND, IN THE ALTERNATIVE, AUTHORIZING THE ASSUMPTION BY THE CITY OF OAK HILL OF THE OBLIGATIONS OF THE ARBUCKLE PUBLIC SERVICE WITH RESPECT TO ITS SEWERAGE SYSTEM REVENUE BONDS, SERIES 1978 AND RELATED BOND RESOLUTION IN CONNECTION WITH SUCH ACQUISITION.

BE IT ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF OAK HILL:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

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

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

A. City of Oak Hill (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia (the "State") in Fayette County of said State.

B. The Issuer presently owns and operates a public sewerage system which serves Oak Hill and surrounding areas. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired by the Sanitary Board of the Issuer (the "Sanitary Board") certain assets of the Arbuckle Public Service District pursuant to that certain Asset Purchase and Sale Agreement (the "Asset Purchase Agreement") entered into on February 15, 2017, by and between the Arbuckle Public Service District, the Sanitary Board and the Issuer (the "Acquired Assets") at an estimated cost not to exceed \$600,000 as set forth in C. below, which Acquired Assets will constitute additions to the Issuer's existing public sewerage facilities. The Issuer's existing sewerage facilities, the Acquired Assets and any further additions thereto or extensions thereof are herein called the "System"). The Asset Purchase Agreement has heretofore been filed with the Issuer.

C. The estimated maximum cost of the acquisition of the Acquired Assets and issuance of the Series 2017 C Bonds, as hereinafter defined, is approximately \$600,000, which will be permanently financed with the proceeds of the Issuer's Sewer Revenue Bonds, Series 2017 C (Arbuckle Public Service District) (the "Series 2017 C Bonds") herein authorized to be issued in an aggregate principal amount not to exceed \$600,000.

D. The estimated revenues to be derived in each year after the acquisition of the Acquired Assets from the operation of the System will be sufficient to pay all the costs of the operation and maintenance of the System, the principal of and interest, if any, on the Series 2017 C Bonds, and all sinking funds, reserve accounts and other payments provided for herein and in the Prior Ordinances and Series 2017 A and B Bonds Ordinance, as such terms are hereinafter defined.

E. It is further deemed necessary for the Issuer to issue the Series 2017 C Bonds, in the total aggregate principal amount of not more than \$600,000, to permanently finance the costs of acquisition of the Acquired Assets. Said costs shall be deemed to include all costs of acquiring the Acquired Assets, including without limitation the payment of the Arbuckle PSD Bond, as hereinafter defined, and the other invoices and liabilities assumed by the Sanitary Board under the Asset Purchase Agreement, amounts which may be deposited in the Series 2017 C Bonds Reserve Account, as hereinafter defined; engineering, accounting and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys;

other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Purchaser (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2017 C Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition of the Acquired Assets and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2017 C Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Acquired Assets, as hereinafter defined.

F. The period of usefulness of the System after completion of the Acquired Assets is not less than 40 years.

G. It is in the best interest of the Issuer that its Series 2017 C Bonds be issued and sold to the Purchaser to be designated in a Supplemental Resolution or a Certificate of Determinations.

H. The Issuer has also determined to issue, on or about the Closing Date, as hereinafter defined, its Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program) in an aggregate principal amount not to exceed \$14,000,000 (the "Series 2017 A Bonds") and its Sewer Revenue Bonds, Series 2017 B (West Virginia Infrastructure Fund) in an aggregate principal amount not to exceed \$8,625,000 (the "Series 2017 B Bonds" and together with the Series 2017 A Bonds, the "Series 2017 A and B Bonds") to permanently finance a portion of the costs of certain additions, betterments and improvements to the System.

I. There are outstanding obligations of the Issuer which will rank either on parity with or junior and subordinate to the Series 2017 C Bonds as to liens, pledges, sources of and security for payment, which obligations are designated and have the lien positions, as follows:

<u>Description</u>	<u>Lien Position</u>
Sewer Revenue Bonds, Series 1988 A, dated August 25, 1988, issued in the original aggregate principal amount of \$1,764,285 (the "Series 1988 A Bonds")	First Lien
Sewer Revenue Bonds, Series 1991A, dated March 28, 1991, issued in the original aggregate principal amount of \$1,817,920 (the "Series 1991A Bonds")	First Lien

Sewer Revenue Bonds, Series 1996 A (West SRF Program), dated August 20, 1996, issued is the original principal amount of \$1,000,000 (the "Series 1996 A Bonds")	First Lien
Series 2017 A Bonds	First Lien
Series 2017 B Bonds	First Lien
Sewer Revenue Bonds, Series 1988 B, dated August 25, 1988, issued in the original aggregate principal amount of \$441,071 (the "Series 1988 B Bonds")	Second Lien
Sewer Revenue Bonds, Series 1991B, dated March 28, 1991, issued in the original aggregate principal amount of \$82,080 (the "Series 1991B Bonds")	Second Lien

The 2017 C Bonds shall be issued on parity with the Series 1988 A Bonds, Series 1991A Bonds, Series 1996 A Bonds and the Series 2017 A and B Bonds, and senior and prior to the Series 1988 B Bonds and Series 1991B Bonds with respect to liens, pledges and sources of and security for payment and in all other respects.

The Series 1988 A Bonds, Series 1991A Bonds, Series 1996 A Bonds and the Series 2017 A and B Bonds are hereinafter sometimes collectively called the "First Lien Bonds" and the Series 1988 B Bonds and Series 1991B Bonds are hereinafter sometimes collectively called the "Second Lien Bonds." The Series 1988 A Bonds, Series 1988 B Bonds, Series 1991A Bonds, Series 1991B Bonds and Series 1996 A Bonds are hereinafter collectively called the "Prior Bonds." The ordinances which authorized the issuance of the Prior Bonds are herein collectively referred to as the "Prior Ordinances." The ordinance which authorized the issuance of the Series 2017 A and B Bonds is referred to as the "Series 2017 A and B Bonds Ordinance." All of the Prior Bonds were issued to and are currently held by the Authority. The Issuer has met the requirements of the Prior Ordinances for the issuance of the Series 2017 A and B Bonds and the Series 2017 A and B Bonds on a parity with the First Lien Bonds and senior and prior to the Second Lien Bonds. Prior to the issuance of the Series 2017 C Bonds, the Issuer will obtain (1) a certificate of an Independent Certified Public Accountant stating that the parity tests of the Series 1988 A Bonds, Series 1991A Bonds and Series 1996 A Bonds have been met and (2) the written consent from the Holder of the Series 1988 A Bonds, Series 1991A Bonds and Series 1996 A Bonds and the Second Lien Bonds to issue the Series 2017 C Bonds and the Series 2017 A and B Bonds on a parity with the lien on the Net Revenues of the Holders of the Series 1988 A Bonds, Series 1991A Bonds and Series 1996 A Bonds and senior and prior to the lien on the Net Revenues of the Holders of the Second Lien Bonds. The Issuer is in compliance with all the covenants of the Prior Bonds and the Prior Ordinances.

Other than the Prior Bonds and the Series 2017 A and B Bonds, there are no outstanding obligations of the Issuer which will rank prior to or on a parity with or junior and subordinate to the Series 2017 C Bonds as to liens, pledge and/or source of and security for payment and in all other respects.

The Issuer previously issued its Sewerage System Bond Anticipation Notes, Series 2012, on October 30, 2012, in the original aggregate principal amount of \$800,000 (the "Series 2012 Notes") to temporarily finance preliminary costs of the project that will be financed with proceeds of the Series 2017 A and B Bonds. The Series 2012 Notes will be paid in full with proceeds of the Series 2017 A and B Bonds contemporaneously with the issuance of the Series 2017 A and B Bonds and upon such payment the Ordinance authorizing the issuance of the Series 2012 Notes will be discharged.

J. The Issuer has complied with all requirements of West Virginia law relating to the authorization of the acquisition and operation of the Acquired Assets and the System, and issuance of the Series 2017 C Bonds or will have so complied prior to issuance of any thereof, including, among other things, the obtaining of a Certificate of Public Convenience and Necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which has expired prior to the issuance of the Series 2017 C Bonds.

K. The Sanitary Board of the Issuer has presented a petition to the Issuer for enactment of this Bond Legislation.

Section 1.03 Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2017 C Bonds by those who shall be the registered owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the registered owners of any and all of such Bonds, as the case may be, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

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

"Acquired Assets" means the Acquired Assets to be acquired by the Sanitary Board from the Arbuckle Public Service District, pursuant to the Asset Purchase Agreement, constituting additions to the existing sewerage system of the Issuer.

"Arbuckle PSD Bond" means the Arbuckle Public Service District Sewerage System Revenue Bond, Series 1978, dated March 5, 1981, payable to the order of the United States of America, Farmers Home Administration, United States Department of Agriculture in

the original principal amount of \$1,132,000 and having an outstanding balance of approximately \$455,000.

“Asset Purchase Agreement” means the Asset Purchase and Sale Agreement entered into on February 15, 2017, by and between Arbuckle Public Service District, the Sanitary Board and the Issuer.

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

“Authorized Officer” means the Mayor or City Manager of the Issuer or any other officer of the Issuer specifically designated by resolution of the Council of the Issuer duly appointed as such by the Governing Body.

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

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

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

“Bonds” means the Series 2017 C Bonds, the 2017 A and B Bonds, the Prior Bonds and, where appropriate, any Bonds on a parity therewith authorized to be issued hereunder or by another ordinance of the Issuer.

“Certificate of Authentication and Registration” means the certificate of authentication and registration on the Series 2017 C Bonds in substantially the form set forth in the bond form contained herein.

“Certificate of Determinations” means a Certificate of Determinations executed by an Authorized Officer with respect to the Series 2017 C Bonds.

“City Clerk” means the City Clerk, Recorder or other municipal officer, by whatever name called, charged with the responsibility of keeping the journal of the proceedings of the Governing Body and other municipal records of the Issuer.

“City Manager” means the City Manager of the Issuer.

“Closing Date” means the date upon which there is an exchange of the Series 2017 C Bonds for an advance of more than a de minimis amount of the principal of the Series 2017 C Bonds from the Bondholder.

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

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

“Consulting Engineers” means The Thrasher Group, Inc., or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System or portion thereof in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commission, or political subdivisions.

“Costs” or “Costs of the Acquired Assets” means those costs described in Section 1.02 E hereof to be a part of the cost of acquisition and construction of the Acquired Assets.

“Council” means the West Virginia Infrastructure and Jobs Development Council or any other agency, board or department of the State that succeeds to the functions of the Council.

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

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

“Event of Default” means any occurrence or event specified in Section 9.01.

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

“First Lien Bonds” means, collectively, the Series 1988 A Bonds, Series 1991A Bonds, Series 1996 A Bonds and Series 2017 A and B Bonds.

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

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

“Government Obligations” means direct obligations of, or obligations the timely payment of the principal of and interest on which is guaranteed by, the United States of America, including without limitation (i) such obligations which have been stripped from their unmatured interest coupons, interest coupons stripped from such obligations and receipts or certificates evidencing payments from such obligations or interest coupons stripped from such obligations, (ii) evidences of ownership of a proportionate interest in specified direct obligations of, or

specified obligations which are unconditionally and fully guaranteed by, the United States of America, which obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian and (iii) obligations, the sole source of the payment of the principal of and interest on which are obligations of the nature of those described in clause (i), which are irrevocably pledged for such purposes.

“Gross Revenues” means the aggregate gross operating and non-operating revenues of the System, as hereinafter defined, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts; provided, that “Gross Revenues” does not include any gains from the sale or other disposition of, or from any increase in the value of, capital assets (including Qualified Investments, as hereinafter defined, purchased pursuant to Section 8.01 hereof) or any Tap Fees, as hereinafter defined.

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

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

“Issuer” means City of Oak Hill, a municipal corporation and political subdivision of the State, in Fayette County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer, the Sanitary Board and any other commission, board or department established by the Issuer to operate and maintain the System.

“Mayor” means the Mayor of the Issuer.

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

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

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

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

“Paying Agent” means the West Virginia Municipal Bond Commission, or such entity or authority as may be designated by the Issuer with the consent of the Bondholder.

“Prior Bonds” means, collectively, the Series 1988 A Bonds, the Series 1988 B Bonds, the Series 1991A Bonds, the Series 1991B Bonds and the Series 1996 A Bonds.

“Prior Ordinances” means the respective Ordinances enacted by the Issuer authorizing the Prior Bonds.

“PSC” means the Public Service Commission of West Virginia and any successors to the functions thereof.

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

A. Government Obligations;

B. Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

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

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

E. Money market funds or similar funds whose only assets are investments of the type described in paragraphs (A) through (D) above;

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

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

H. Obligations of States or political subdivisions or agencies thereof, the interest on which is exempt from federal income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Purchaser" means the Purchaser of the Series 2017 C Bonds designated in the Supplemental Resolution or a Certificate of Determinations.

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

"Registrar" means the Bond Registrar.

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

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established or continued by Section 5.01 hereof.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Series 2017 C Bonds, the Series 2017 A and B Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in the Reserve Accounts of the Series 2017 C Bonds, the Series 2017 A and B Bonds and the Prior Bonds.

"Revenue Fund" means the Revenue Fund established or continued by Section 5.01 hereof.

“Sanitary Board” means the Sanitary Board of the Issuer heretofore established by an ordinance duly enacted by the Issuer and any successor to the functions thereof.

“Second Lien Bonds” means, collectively, the Series 1988 B Bonds and Series 1991B Bonds.

“Series 1988 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1988 A, dated August 25, 1988, issued in the original principal amount of \$1,764,285.

“Series 1988 A Bonds Reserve Account” means the Series 1988 A Bonds Reserve Account established for the Series 1988 A Bonds by the Prior Ordinances.

“Series 1988 A Bonds Sinking Fund” means the Series 1988 A Bonds Sinking Fund established for the Series 1988 A Bonds by the Prior Ordinances.

“Series 1988 B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1988 B, dated August 25, 1988, issued in the original principal amount of \$441,071.

“Series 1988 B Bonds Reserve Account” means the Series 1988 B Bonds Reserve Account established for the Series 1988 B Bonds by the Prior Ordinances.

“Series 1988 B Bonds Sinking Fund” means the Series 1988 B Bonds Sinking Fund established for the Series 1988 B Bonds by the Prior Ordinances.

“Series 1991A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1991A, dated March 28, 1991, issued in the original purchase amount of \$1,817,920.

“Series 1991A Bonds Reserve Account” means the Series 1991A Bonds Reserve Account established for the Series 1991A Bonds by the Prior Ordinances.

“Series 1991A Bonds Sinking Fund” means the Series 1991A Bonds Sinking Fund established for the Series 1991A Bonds by the Prior Ordinances.

“Series 1991B Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1991B, dated March 28, 1991, issued in the original principal amount of \$82,080.

“Series 1991B Bonds Reserve Account” means the Series 1991B Bonds Reserve Account established for the Series 1991B Bonds by the Prior Ordinances.

“Series 1991B Bonds Sinking Fund” means the Series 1991B Bonds Sinking Fund established for the Series 1991B Bonds by the Prior Ordinances.

“Series 1996 A Bonds” means the Issuer’s Sewer Revenue Bonds, Series 1996 A (West Virginia SRF Program), dated August 20, 1996, issued in the original principal amount of \$1,000,000.

“Series 1996 A Bonds Reserve Account” means the Series 1996 A Bonds Reserve Account established in the Series 1996 A Bonds Sinking Fund for the Series 1996 A Bonds by the Prior Ordinances.

“Series 1996 A Bonds Sinking Fund” means the Series 1996 A Bonds Sinking Fund established for the Series 1996 A Bonds by the Prior Ordinances.

“Series 2012 Notes” means the Issuer’s Sewerage System Bond Anticipation Notes, Series 2012, dated October 30, 2012, issued in an original principal amount not to exceed \$800,000.

“Series 2017 A and B Bonds” means collectively the Series 2017 A Bonds and the Series 2017 B Bonds.

“Series 2017 A and B Bonds Reserve Accounts” means collectively the Series 2017 A Bonds Reserve Account and the Series 2017 B Bonds Reserve Account.

“Series 2017 A and B Bonds Sinking Funds” means collectively the Series 2017 A Bonds Sinking Fund and the Series 2017 B Bonds Sinking Fund.

“Series 2017 A and B Bonds Ordinance” means the Ordinance enacted by the Issuer authorizing the issuance of the Series 2017 A and B Bonds.

“Series 2017 A Bonds” means the not more than \$14,000,000 in aggregate principal amount of Sewer Revenue Bonds, Series 2017 A (West Virginia SRF Program), of the Issuer, authorized by the Series 2017 A and B Bonds Ordinance to be issued contemporaneously with or after the Series 2017 C Bonds.

“Series 2017 A Bonds Reserve Account” means the Series 2017 A Bonds Reserve Account established pursuant to the Series 2017 A and B Bonds Ordinance.

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

“Series 2017 A Bonds Sinking Fund” means the Series 2017 A Bonds Sinking Fund established by the Series 2017 A and B Bonds Ordinance.

“Series 2017 B Bonds” means the not more than \$8,625,000 in aggregate principal amount of Sewer Revenue Bonds, Series 2017 B (West Virginia Infrastructure Fund), of the Issuer authorized by the Series 2017 A and B Bonds Ordinance to be issued contemporaneously with or after the Series 2017 C Bonds.

“Series 2017 B Bonds Reserve Account” means the Series 2017 B Bonds Reserve Account established in the Series 2004B Bonds Sinking Fund pursuant to the Series 2017 A and B Bonds Ordinance.

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

“Series 2017 B Bonds Sinking Fund” means the Series 2017 B Bonds Sinking Fund established by the Series 2017 A and B Bonds Ordinance.

“Series 2017 C Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2017 C, to be issued in an aggregate principal amount not to exceed \$600,000 authorized by this Ordinance or, in the event the Issuer determines to assume the obligations of Arbuckle Public Service District with respect to the Arbuckle PSD Bond as provided in Section 4.01 hereof, means such Arbuckle PSD Bond assumed by the Issuer.

“Series 2017 C Bonds Reserve Account” means the Series 2017 C Bonds Reserve Account created by Section 5.02 hereof.

“Series 2017 C Bonds Reserve Requirement” means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2017 C Bonds in the then concurrent or any succeeding year or such other amount as may be provided in the Supplemental Resolution or a Certificate of Determinations.

“Series 2017 C Bonds Sinking Fund” means the Series 2017 C Bonds Sinking Fund created by Section 5.02 hereof.

“Sinking Funds” means, collectively, the respective Sinking Funds established for the Series 2017 C Bonds, the Series 2017 A and B Bonds and the Prior Bonds.

“State” means the State of West Virginia.

“Supplemental Resolution” means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article “the,” refers specifically to the Supplemental Resolution authorizing the sale of the Series 2017 C Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2017 C Bonds and not so included may be included in another Supplemental Resolution.

“Surplus Revenues” means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, as further defined in Section 5.03(C) hereof.

“System” means the complete public sewerage system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Acquired Assets and any additions, improvements and extensions thereto hereafter constructed or acquired for said system from any sources whatsoever.

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

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

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

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.

ARTICLE II

AUTHORIZATION OF ACQUISITION ASSETS

Section 2.01 Authorization of Acquisition of the Acquired Assets. There is hereby authorized the acquisition of the Acquired Assets, at an estimated cost (including costs of issuing the Series 2017 C Bonds) of not to exceed \$600,000, in accordance with the Asset Purchase Agreement, heretofore filed in the office of the Governing Body. The proceeds of the Series 2017 C Bonds hereby authorized shall be applied as provided in Article VI hereof.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT

Section 3.01 Authorization of Bonds. For the purposes of capitalizing interest on the Series 2017 C Bonds, funding a reserve account for the Series 2017 C Bonds, paying Costs of the Acquired Assets not otherwise provided for, and paying certain costs of issuance of the Series 2017 C Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution or Certificate of Determinations, there shall be and hereby are authorized to be issued negotiable Series 2017 C Bonds of the Issuer, in an aggregate principal amount of not more than \$600,000. The Series 2017 C Bonds shall be issued in one series to be designated "Sewer Revenue Bonds, Series 2017 C (Arbuckle Public Service District)," in the aggregate principal amount of not more than \$600,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution or Certificate of Determinations. The proceeds of the Series 2017 C Bonds remaining after the funding of the Series 2017 C Bonds Reserve Accounts (if funded from the Bond proceeds) and capitalization of interest, if any, shall be applied as set forth in Article VI hereof.

Section 3.02 Terms of Bonds. The Series 2017 C Bonds shall be issued in such principal amount not to exceed \$600,000; shall bear interest not to exceed five percent (5%) per annum at such rate or rates, payable on such dates; shall mature on such dates no later than October 1, 2027, and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or Certificate of Determinations. The Series 2017 C Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2017 C Bonds, if any, shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be agreeable to the Registered Owner thereof.

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

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution or by a separate bond ordinance.

The Bonds shall be dated as of the date specified in a Supplemental Resolution or separate bond ordinance and shall bear interest, if any, as provided in such Supplemental Resolution or separate bond ordinance.

Section 3.03 Execution of Bonds. The Series 2017 C Bonds shall be executed in the name of the Issuer by the Mayor and City Manager, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk. In case any one or more of the officers who shall have signed or sealed any of the Series 2017 C Bonds shall cease to be such officer of the Issuer before the Series 2017 C Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2017 C 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 3.04 Authentication and Registration. The Bond Registrar for the Series 2017 C Bonds shall be the bank or other entity to be designated as such in the Supplemental Resolution or Certificate of Determinations and its successors and assigns. No Series 2017 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2017 Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05 Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2017 C Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting any of said Series 2017 C Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bond shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Series 2017 C Bonds remain Outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain the books for the registration and transfer of the Series 2017 C Bonds.

The registered Series 2017 C Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in

writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2017 C Bonds or transferring the registered Series 2017 C Bonds are exercised, Series 2017 C Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2017 C Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 2017 C Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 2017 C Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2017 C Bonds or, in the case of any proposed redemption of Series 2017 C Bonds, next preceding the date of the selection of Series 2017 C Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06 Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2017 C Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07 Bonds not to be Indebtedness of the Issuer. The Series 2017 C Bonds shall not, in any event, be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided and amounts, if any, in the Series 2017 C Bonds Reserve Account. No holder or holders of any of the Series 2017 C Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2017 C Bonds or the interest, if any, thereon.

Section 3.08 Bonds Secured by Pledge of Net Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of all the Series 2017 C Bonds shall be secured forthwith equally and ratably with each other by a first lien on the Net Revenues derived from the System on a parity with the lien on such Net Revenues in favor of the Holders of the First Lien Bonds and senior and prior to the lien on the Net Revenues in favor of the Holders of the Second Lien Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2017 C Bonds, the Series 2017 A and B Bonds and

the Prior Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due, and for the other purposes provided in the Bond Legislation.

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

A. If other than the Purchaser, a list of the names in which the Series 2017 C Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2017 C Bonds to the original purchaser(s);

C. An executed and certified copy of the Bond Legislation; and

D. The unqualified approving opinion of bond counsel on the Series 2017 C Bonds.

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

[Form of Series 2017 C Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF OAK HILL
SEWER REVENUE BOND,
SERIES 2017 C
(ARBUCKLE PUBLIC SERVICE DISTRICT)

No. CR-_____

\$_____

KNOW ALL MEN BY THESE PRESENTS: That CITY OF OAK HILL, a municipal corporation and political subdivision of the State of West Virginia in Fayette County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth to the order of _____ (the "Purchaser"), or its registered assigns, at _____, _____, West Virginia _____, or at such other place as the Purchaser may hereafter designate in writing, the principal sum of SIX HUNDRED THOUSAND DOLLARS (\$600,000.00), plus interest on the unpaid principal balance at the rate of _____ per cent (____%) per annum. As set forth in the Debt Service Schedule attached hereto as Exhibit A, the said principal and interest shall be paid in monthly installments in the amount of \$_____, covering principal and interest, commencing on _____ 1, 2017, and thereafter on said corresponding day of each month, except that the final installment shall be paid on _____ 1, 20____.

Notwithstanding the foregoing, in the event of a Determination of Taxability, as hereinafter defined, the interest rate hereon shall be equal to the Taxable Rate, as hereinafter defined, commencing from the effective date of such Determination of Taxability. For purposes of the immediately preceding sentence, the following terms shall have the following meanings:

"Determination of Taxability" means a determination that all or any portion of the interest income on this Bond is not excludable from the gross income under Section 103 of the Code ("exempt interest") of a holder or former holder of this Bond. The determination shall be deemed to have been made upon the occurrence of the first to occur of the following: (a) the date on which the registered owner of this Bond is notified that Bond Counsel is unable to deliver an opinion that interest on this Bond is excludable from gross income for federal income tax purposes; (b) the date on which any change in law or regulation becomes effective or on which the Internal Revenue Service (the "IRS") issues any private ruling, technical advice or any other written communication with or to the effect that the interest income on this Bond does not qualify as exempt interest; or (c) the date on which the Issuer shall receive notice from the Purchaser in writing that the Purchaser has been notified by the Internal Revenue Service, or has been advised by the Issuer, any registered owner or former registered owner of this Bond that the Internal Revenue Service has issued a thirty-day letter or other notice which asserts that the interest on this Bond does not qualify as exempt interest.

"Taxable Rate" means _____% per annum.

[Interest on this Bond shall be calculated based upon a 360 day year consisting of twelve thirty-day months.]

Notwithstanding any provision of this Bond to the contrary, this Bond shall evidence only the indebtedness reflected as outstanding on the Record of Advances attached hereto as Exhibit B. Interest shall accrue only on the amount of each advance from its actual date as listed on such Record of Advances and shall cease to accrue on the amount outstanding, or portions thereof, as the same is paid. Advances and payments shall be noted by the Purchaser hereof on the Record of Advances attached hereto as the same are made, and the grid record maintained by the Purchaser as hereinafter described shall be determinative as to such matters absent manifest error.

The principal and interest installments on this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of Branch Banking and Trust Company, Charleston, West Virginia, as the Registrar (as defined in the hereinafter described Bond Legislation) on the 15th day of the month next preceding a payment date, or by such other method as shall be mutually agreeable so long as the Purchaser is the registered owner hereof.

This Bond may be redeemed prior to its stated date of maturity as follows:

_____.

This Bond is issued (i) to permanently finance the amounts needed to acquire certain assets of the Arbuckle Public Service District (the "Acquired Assets"), which Acquired Assets will constitute additions to the existing public sewerage system of the Issuer; (ii) [to fund a debt service reserve fund]; and (iii) to pay certain costs of issuance hereof and related costs. The existing public sewerage system facilities of the Issuer, the Acquired Assets and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended (the "Act"), and a Bond Ordinance duly enacted by the Issuer on _____, 2017 and a Supplemental Resolution duly adopted by the Issuer on _____, 2017 (the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other securities provided for the Bonds of this Series (the "Bonds") under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on parity with the pledge of the Net Revenues in favor of the holders of the Series 1988 A Bonds, Series 1991 A Bonds, Series 1996 A Bonds, Series 2017 A Bonds and Series 2017 B Bonds and senior and

prior to the Series 1988 B Bonds and Series 1991 B Bonds as such Bonds are hereinafter described and defined, and from moneys, if any, in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2017 C Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all Bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues, the moneys in the Series 2017 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, for each fiscal year to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each fiscal year equal to at least 115% of the maximum amount payable in any fiscal year for principal of and interest on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Bonds, including the Prior Bonds, as hereinafter defined. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond 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 the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

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

THE BOND IS ISSUED ON A PARITY, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 1988 A, DATED AUGUST 25, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,764,285 (THE "SERIES 1988 A BONDS"), SEWER REVENUE BONDS, SERIES 1991A, DATED MARCH 28, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,817,920 (THE "SERIES 1991A BONDS"), SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 20, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 1996 A BONDS"), SEWER REVENUE BONDS, SERIES 2017 A (WEST VIRGINIA SRF PROGRAM) DATED CONTEMPORANEOUSLY HERewith OR AFTER THE DATE HEREOF ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF \$14,000,000 (THE "SERIES 2017 A BONDS") AND SEWER REVENUE BONDS, SERIES 2017 B (WEST VIRGINIA INFRASTRUCTURE FUND) DATED CONTEMPORANEOUSLY HERewith OR AFTER THE DATE HEREOF ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$8,625,000 (THE "SERIES 2017 B BONDS").

THE BOND IS ISSUED SENIOR AND PRIOR, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, TO THE ISSUER'S SEWER REVENUE BONDS, SERIES 1988 B, DATED AUGUST 25, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$441,071 (THE "SERIES 1988 B BONDS"), AND SEWER REVENUE BONDS, SERIES 1991B, DATED MARCH 28, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$82,080 (THE "SERIES 1991B BONDS").

THE SERIES 1988 A BONDS, THE SERIES 1991A BONDS, THE SERIES 1996 A BONDS, THE SERIES 2017 A BONDS, THE SERIES 2017 B BONDS, THE SERIES 1988 B BONDS AND THE SERIES 1991B BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

IN WITNESS WHEREOF, CITY OF OAK HILL 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 City Clerk, and has caused this Bond to be dated _____, 2017.

CITY OF OAK HILL

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

Date: _____.

_____,
as Registrar

By: _____

EXHIBIT A
DEBT SERVICE SCHEDULE

EXHIBIT B

RECORD OF ADVANCES

	<u>Amount</u>	<u>Date</u>		<u>Amount</u>	<u>Date</u>
(1)	\$		(7)	\$	
(2)	\$		(8)	\$	
(3)	\$		(9)	\$	
(4)	\$		(10)	\$	
(5)	\$		(11)	\$	
(6)	\$		(12)	\$	

Total \$ _____

(Form of)

ASSIGNMENT

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

Dated: _____, 20_____.

In the presence of:

Section 3.11 Sale of Series Bonds. The Series 2017 C Bonds shall be sold to the Purchaser, pursuant to the terms and conditions of the proposal submitted by such Purchaser.

Section 3.12 Designation of Bonds as "Qualified Tax-Exempt Obligations". The Issuer hereby designates the Series 2017 C Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Series 2017 C Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations described in Section 265(b)(3)(C)(ii) of the Code), including the Series 2017 C Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2017.

ARTICLE IV

ASSUMPTION OF ARBUCKLE PUBLIC SERVICE DISTRICT SEWER SYSTEM REVENUE BONDS, SERIES 1978 AND RELATED BOND RESOLUTION

Section 4.01 Assumption of Arbuckle Public Service District Sewer System Revenue Bonds, Series 1978 and Related Bond Resolution. As an alternative to issuing the Series 2017 C Bonds as provided herein, the Issuer may determine in a Supplemental Resolution or Certification of Determinations to assume the obligations of Arbuckle Public Service District with respect to the Arbuckle PSD Bond and related Bond Resolution in connection with the acquisition of the sewer utility assets of Arbuckle Public Service District. In the event that the Issuer determines to assume the obligations of the Arbuckle Public Service District with respect to the Arbuckle PSD Bond and related Bond Resolution as provided above, such Arbuckle PSD Bond shall be redesignated as "City of Oak Hill Sewer Revenue Bond (Arbuckle Public Service District), Series 2017 C." All provisions relating to the Series 2017 C Bonds in this Bond Legislation shall be applicable to such City of Oak Hill Sewer Revenue Bond (Arbuckle Public Service District), Series 2017 C with the exception that the monthly payments of principal and interest thereon shall be paid directly to the United States of America, Farmers Home Administration, United States Department of Agriculture as provided in the Arbuckle PSD Bond instead of to the Commission and as otherwise may be provided in a Supplemental Resolution or a Certificate of Determinations.

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

- A. Revenue Fund (established or continued by the Prior Ordinances); and
- B. Renewal and Replacement Fund (established or continued by the Prior Ordinances).

Section 5.02 Establishment or Continuance of Funds and Accounts with Commission. The following special funds or accounts are hereby created (or continued if previously established by the Prior Ordinances or Series 2017 A and B Bonds Ordinance) with and shall be held by the Commission, separate and apart from all other funds or accounts of the Commission or the Issuer and from each other:

- A. Series 1988 A Bonds Sinking Fund (established by the Prior Ordinances);
- B. Within the Series 1988 A Bonds Sinking Fund, the Series 1988 A Bonds Reserve Account (established by the Prior Ordinances);
- C. Series 1988 B Bonds Sinking Fund (established by the Prior Ordinances);
- D. Within the Series 1988 B Bonds Sinking Fund, the Series 1988 B Bonds Reserve Account (established by the Prior Ordinances);
- E. Series 1991A Bonds Sinking Fund (established by the Prior Ordinances);
- F. Within the Series 1991A Bonds Sinking Fund, the Series 1991A Bonds Reserve Account (established by the Prior Ordinances);
- G. Series 1991B Bonds Sinking Fund (established by the Prior Ordinances);
- H. Within the Series 1991B Bonds Sinking Fund, the Series 1991B Bonds Reserve Account (established by the Prior Ordinances);
- I. Series 1996 A Bonds Sinking Fund (established by the Prior Ordinances);
- J. Within the Series 1996 A Bonds Sinking Fund, the Series 1996 A Bonds Reserve Account (established by the Prior Ordinances);
- K. Series 2017 A Bonds Sinking Fund (established by the Series 2017 A and B Bonds Ordinance);

L. Within the Series 2017 A Bonds Sinking Fund, the Series 2017 A Bonds Reserve Account (established by the Series 2017 A and B Bonds Ordinance);

M. Series 2017 B Bonds Sinking Fund (established by the Series 2017 A and B Bonds Ordinance);

N. Within the Series 2017 B Bonds Sinking Fund, the Series 2017 B Bonds Reserve Account (established by the Series 2017 A and B Bonds Ordinance);

O. Series 2017 C Bonds Sinking Fund; and

P. Within the Series 2017 C Bonds Sinking Fund, the Series 2017 C Bonds Reserve Account.

Section 5.03 System Revenues; Flow of Funds.

A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in the Prior Ordinances, the Series 2017 A and B Bonds Ordinance and in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in the Prior Ordinances and in this Bond Legislation. All revenues at any time 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 moneys in the Revenue Fund all Operating Expenses of the System.

2. The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and, simultaneously, (i) remit to the Commission the amounts required by the Prior Ordinances to be deposited in the Series 1988 A Bonds Sinking Fund for payment of the interest on and principal of the Series 1988 A Bonds, (ii) remit to the Commission the amounts required by the Prior Ordinances to be deposited in the Series 1991A Bonds Sinking Fund for payment of the interest on and principal of the Series 1991A Bonds, (iii) remit to the Commission the amounts required by the Prior Ordinances to be deposited in the Series 1996 A Bonds Sinking Fund for payment of interest on and principal of the Series 1996 A Bonds; (iv) remit to the Commission the amounts required by the Series 2017 A and B Bonds Ordinance for the payment of interest on and principal of the Series 2017 A Bonds; (v) remit to the Commission the amounts required by the Series A and B Bonds Ordinance for the payment of interest on and principal of the Series 2017 B Bonds; and (vi) commencing one (1) month prior to the first date of payment of principal of and interest on the Series 2017 C Bonds, remit to the Commission for deposit in the Series 2017 C Bonds Sinking Fund, an amount equal to the amount of principal of and interest which will mature and become due on the Series 2017 C Bonds on the next ensuing monthly principal and interest payment date.

3. The Issuer shall next, on each date that payment is made as set forth in subsection 5.03A(2) above, transfer from the Revenue Fund and, simultaneously, (i) remit to the Commission the amount required by the Prior Ordinances to be deposited in the

Series 1988 A Bonds Reserve Account, (ii) remit to the Commission the amount required by the Prior Ordinances to be deposited in the Series 1991A Bonds Reserve Account, (iii) remit to the Commission the amount required by the Prior Ordinances to be deposited in the Series 1996 A Bonds Reserve Account; (iv) remit to the Commission the amount required by the Series 2017 A and B Bonds Ordinance to be deposited in the Series 2017 A Bonds Reserve Account; (v) remit to the Commission the amount required by the Series 2017 A and B Bonds Ordinance to be deposited in the Series 2017 B Bonds Reserve Account; and (vi) commencing 1 month prior to the first date of payment of principal of the Series 2017 C Bonds or such other date as may be set forth in the Supplemental Resolution or in a Certificate of Determinations, if not fully funded upon issuance of the Series 2017 C Bonds, remit to the Commission for deposit in the Series 2017 C Bonds Reserve Account an amount equal to 1/120 of the Series 2017 C Bonds Reserve Requirement or such other amount as may be set forth in the Supplemental Resolution or in a Certificate of Determinations, provided, that no further payments shall be made into the Series 2017 C Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2017 C Bonds Reserve Requirement.

4. The Issuer shall next, from the moneys remaining in the Revenue Fund, on the first day of each month (as previously set forth in the Prior Ordinances and in the Series 2017 A and B Bonds Ordinance and not in addition thereto), transfer to the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or extensions to the System; provided, that any deficiencies in the reserve accounts established with respect to the Prior Bonds, the Series 2017 A and B Bonds Reserve Accounts or the Series 2017 C Bonds 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 moneys from the Renewal and Replacement Fund.

5. The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and pay to the Commission the amount required by the Prior Ordinances to be deposited in the Series 1988 B Bonds Sinking Fund for payment of principal of the Series 1988 B Bonds, and in the Series 1991B Bonds Sinking Fund for payment of principal of the Series 1991B Bonds.

6. The Issuer shall next, on the first day of each month, transfer from the Revenue Fund to the Commission the amounts required by the Prior Ordinances to be deposited in the Series 1988 B Bonds Reserve Account and in the Series 1991B Bonds Reserve Account.

Moneys in the Series 2017 C Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2017 C Bonds as the same shall become due. Moneys in the Series 2017 C Bonds Reserve Account shall be used only for the

purpose of paying principal of and interest, if any, on the Series 2017 C Bonds, as the same shall come due, when other moneys in the Series 2017 C Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 2017 C Bonds Sinking Fund and Series 2017 C Bonds Reserve Account (if equal to at least the Series 2017 C Bond Reserve Requirement) shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall be deposited in the Revenue Fund and applied in full, first to the next ensuing principal payment due on the respective Series 2017 C Bonds.

Any withdrawals from the Series 2017 C Bonds Reserve Account which result in a reduction in the balance of the Series 2017 C Bonds Reserve Account to below the Series 2017 C Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2017 C Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2017 C Bonds Sinking Fund or into the Series 2017 C Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2017 C Bonds then Outstanding and all interest to accrue until the respective maturities thereof.

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

If requested by the Purchaser, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

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

The Series 2017 C Bonds Sinking Fund shall be used solely and only for, and is hereby pledged for, the purpose of servicing the Series 2017 C Bonds under the conditions and restrictions set forth herein. The Series 2017 C Bonds Reserve Account shall be used solely and only for, and is hereby pledged for, the purpose of servicing the Series 2017 C Bonds when the amounts in the Series 2017 C Bonds Sinking Fund are not adequate to do so.

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

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

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

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

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

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

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

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

ARTICLE VI

APPLICATION OF BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01 Application of Bond Proceeds. From the moneys received from time to time from the sale of any or all of the Series 2017 C Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2017 C Bonds, there shall be deposited with the Commission in the Series 2017 C Bonds Reserve Account the sum, if any, set forth in the Supplemental Resolution or a Certificate of Determinations for funding of the Series 2017 C Bonds Reserve Account.

B. The remaining proceeds of the Series 2017 C Bonds shall be advanced to acquire the Acquired Assets, including without limitation the payment of the Arbuckle PSD Bond and the other invoices and liabilities assumed by the Sanitary Board under the Asset Purchase Agreement, and to pay costs of issuing the Series 2017 C Bonds in the manner to be set forth in a Supplemental Resolution or a Certificate of Determinations.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01 General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2017 C Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2017 C Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of said Series 2017 C Bonds or the interest thereon, if any, is Outstanding and unpaid.

Section 7.02 Series 2017 C Bonds not to be Indebtedness of the Issuer. The Series 2017 C Bonds shall not be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any of the Series 2017 C Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2017 C Bonds or the interest, if any, thereon.

Section 7.03 Series 2017 C Bonds Secured by Pledge of Net Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of the Series 2017 C Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the operation of the System, on a parity with the lien on such Net Revenues in favor of the Holders of the First Lien Bonds and senior and prior to the lien on the Net Revenues in favor of the Holders of the Second Lien Bonds. Net Revenues derived from the System in an amount sufficient to pay the principal of and interest on the Series 2017 C Bonds, the Series 2017 A and B Bonds and the Prior Bonds and to make the payments into all funds and accounts, and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as the same become due, and for the other purposes provided in the Bond Legislation.

Section 7.04 Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of this Bond Legislation. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth, adopted and approved in the Ordinance enacted by the Issuer on May 23, 2016.

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

extent or in the manner authorized by law, immediately adjust and increase such schedule of rates and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation.

Section 7.05 Sale of the System. So long as the Prior Bonds or Series 2017 A and B Bonds are Outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of the System, or any part thereof, except as provided in the respective Prior Ordinances and Series 2017 A and B Bonds Ordinance. Additionally, so long as the Series 2017 C Bonds are Outstanding and except as otherwise required by law or with the written consent of the Purchaser, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Prior Bonds, the Series 2017 C Bonds and the Series 2017 A and B Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2017 C Bonds, immediately be remitted to the Commission for deposit in the Series 2017 C Bonds Sinking Fund, and the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest on the Series 2017 C Bonds. Any balance remaining after the payment of all the Prior Bonds, the Series 2017 C Bonds and the Series 2017 A and B Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$250,000, the Issuer shall, by resolution, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$250,000 but not in excess of \$1,000,000, the Issuer shall first determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property aggregating during such Fiscal Year in excess of \$250,000 and not in excess of \$1,000,000, shall, with the written consent of the Purchaser, be remitted by the Issuer to the Commission for deposit in the Sinking Funds and shall be applied only to the purchase of Bonds of the last maturities then Outstanding at prices no greater than the par value thereof plus 3% of such par value or otherwise. Such payment of such proceeds into the Renewal and Replacement Fund or Sinking Funds shall not reduce the amounts required to be paid into said funds by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all

other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$1,000,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of over 50% in principal amount of the Bonds then outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06 Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and in Section 7.07, so long as any of the Series 2017 C Bonds are Outstanding, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2017 C Bonds. All obligations issued by the Issuer after the issuance of the Series 2017 C Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 2017 C Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein at the time of the issuance of such subordinate obligations have been made and are current. Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2017 C Bonds, and the interest thereon, if any, upon any of the income and revenues of the System pledged for payment of the Series 2017 C Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

Section 7.07 Parity Bonds. So long as the Prior Bonds or Series 2017 A and B Bonds are outstanding, the limitations on the issuance of parity obligations in the respective Prior Ordinances and Series 2017 A and B Bonds Ordinance shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2017 C Bonds pursuant to this Bond Legislation without complying with the conditions and requirements herein provided.

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

No such Parity Bonds shall be issued except for the purpose of financing the costs of the design, construction or acquisition of extensions, improvements or betterments to the System or refunding all or a portion of one or more series of Outstanding First Lien Bonds or Parity Bonds, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the City Clerk a written statement by the Independent Certified Public Accountants, based upon the necessary investigation, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the

actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

- (1) The Bonds then Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Bond Legislation then Outstanding; and
- (3) The Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such Parity Bonds and (b) any increase in rates enacted by the Issuer, the period for appeal of which has expired (without successful appeal) prior to the date of delivery of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the City Clerk prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the said Independent Certified Public Accountants on account of increased rates, rentals, fees and charges for the System enacted by the Issuer, the period for appeal of which has expired (without successful appeal) prior to issuance of such Parity Bonds.

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

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Series 2017 C Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2017 C Bonds.

No Parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for in this Bond Legislation with respect to the Series 2017 C Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of delivery of such Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

Section 7.08 Books, Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Acquired Assets. The Issuer shall permit the Purchaser, or its agents and representatives, to inspect all books, documents, papers and records relating to the Acquired Assets and the System at all reasonable times for the purpose of audit and examination.

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

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

The Issuer shall file with the Purchaser and shall mail in each year to any Holder or Holders of Bonds requesting the same, an annual report containing the following:

C. A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.

D. A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation with respect to said Bonds and the status of all said funds and accounts.

E. The amount of any Bonds or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required, in compliance with 2 CFR 200 Subpart F or any successor thereto), and shall mail upon request and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to all Holders of the Series 2017 C Bonds, and shall submit said report to Purchaser or any other original purchaser of the Series 2017 C Bonds. Such audit report submitted to the Purchaser shall include a statement that the Issuer is in compliance with

the terms and provisions of the Act and this Bond Legislation, and that the Issuer's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements.

Section 7.09 Rates. Prior to the issuance of the Series 2017 C Bonds, equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the City Clerk, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2017 C Bonds and all other obligations secured by a lien on or payable from such revenues prior to, on a parity with or junior to the Series 2017 C Bonds, including the Prior Bonds and Series 2017 A and B Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10 Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. The Issuer, with the approval of the Governing Body, may amend the budget during the subject Fiscal Year provided that the budget remains balanced after such amendment. After the adoption of any such amendment, the budget, as amended, shall be the budget of the Issuer for the balance of the subject Fiscal Year. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Purchaser and to any Bondholder or anyone acting for and in behalf of such Bondholder who shall file his or her address with the Issuer and request in writing that copies of all such budgets, any amendments thereto and resolutions be furnished him or her and shall make available such budgets, any amendments thereto and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to any Holder of any Bonds or anyone acting for and in behalf of such Holder of any Bonds.

Section 7.11 Engineering Services and Operating Personnel. The Issuer shall provide and maintain competent and adequate engineering services reasonably satisfactory to the Purchaser covering the supervision and inspection of the development and construction of the Project. The Issuer shall also employ qualified operating personnel properly certified by the State to operate the System so long as the Series 2017 C Bonds are Outstanding.

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

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

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

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

Section 7.15 Insurance and Construction Bonds. The Issuer hereby covenants and agrees that so long as any of the Series 2017 C Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

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

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

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

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

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

(6) FIDELITY BONDS, will be provided for every officer, member and employee of the Issuer or the Governing Body having custody of the revenues or of any other funds of the System, in an amount at least equal to the total funds in the custody of any such person at any one time.

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

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

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

The Issuer has obtained all permits required by state and federal laws for the acquisition of the Acquired Assets, all orders and approvals necessary for the acquisition of the Acquired Assets and the operation of the System, and all approvals for issuance of the Series 2017 C Bonds required by State law, with all requisite appeal periods having expired without successful appeal and the Issuer shall provide an opinion of counsel to such effect.

Section 7.18 Compliance With Law. The Issuer shall perform, satisfy and comply with all terms and conditions of the Act and all other applicable laws, rules and regulations issued by the State, federal or local bodies in regard to the acquisition of the Acquired Assets and the operation, maintenance and use of the System.

Section 7.19 Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2017 C Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2017 C Bonds during the term thereof is, under the terms of the Series 2017 C Bonds or any underlying arrangement, directly or indirectly, secured by any interest in

property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2017 C Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2017 C Bonds during the term thereof is, under the terms of the Series 2017 C Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5 % of Net Proceeds of the Series 2017 C Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the System, or if the Series 2017 C 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.

A. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2017 C Bonds or \$5,000,000 are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

B. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2017 C Bonds to be directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

C. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2017 C Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

D. FURTHER ACTIONS. The Issuer will take all actions that may be required of it so that the interest on the Series 2017 C 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.

ARTICLE VIII

INVESTMENT OF FUNDS

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year (or more often if reasonably requested by the Issuer), a summary of such funds, accounts, and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Bonds are Outstanding.

Section 8.02 Arbitrage. The Issuer covenants that (i) it will restrict the use of the proceeds of the Series 2017 C Bonds in such manner and to such extent as may be necessary, so that the Series 2017 C 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 the Series 2017 C Bonds) so that the interest on the Series 2017 C 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 8.03 Tax Certificate and Rebate. A. GENERAL COVENANT. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of the Series 2017 C Bonds. In addition, the Issuer

covenants to comply with all Regulations from time to time in effect and applicable to the Series 2017 C 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.

B. CREATION OF FUNDS. Notwithstanding the above, there are hereby created, to be held by the Depository Bank as separate funds distinct from all other funds and accounts held by the Depository Bank under this Ordinance, the Earnings Fund and the Rebate Fund. All interest earnings and profits on amounts in all funds and accounts established under this Ordinance, other than (i) interest earnings and profits on any funds referenced in Subsection D(5) of this Section if such earnings in any Bond Year are less than \$100,000, (ii) interest earnings and profits on amounts in funds and accounts which do not constitute Gross Proceeds, and (iii) interest earnings and profits on the Rebate Fund shall, upon receipt by the Depository Bank, be deposited in the Earnings Fund. In addition, all interest earnings and profits on Gross Proceeds in funds held by the Issuer shall, upon receipt, be paid to the Depository Bank for deposit in the Earnings Fund. Annually, on the last day of each Bond Year or on the preceding business day in the event that such last day is not a business day, the Depository Bank shall transfer from the Earnings Fund to the Rebate Fund for purposes of ultimate payment to the United States an amount equal to Excess Investment Earnings, all as more particularly described in this Section. Following the transfer referenced in the preceding sentence, the Depository Bank shall transfer all amounts remaining in the Earnings Fund to be used for the payment of debt service on the next interest payment date and for such purpose, debt service due from the Issuer on such date shall be credited by an amount equal to the amount so transferred.

C. DUTIES OF ISSUER IN GENERAL. Unless exempted therefrom, the Issuer shall calculate Excess Investment Earnings in accordance with Subsection D and shall assure payment of an amount equal to Excess Investment Earnings to the United States in accordance with Subsection E and F.

D. CALCULATION OF EXCESS INVESTMENT EARNINGS. Within 30 days following the last day of the first Bond Year, if there are any Excess Investment Earnings, the Issuer shall calculate, and shall provide written notice to the Depository Bank of, the Excess Investment Earnings referenced in clause (A) of the definition of Excess Investment Earnings. Thereafter, within 30 days following the last day of each Bond Year and within 30 days following the date of the retirement of the Bonds, the Issuer shall calculate and, if there are any Excess Investment Earnings, shall provide written notice to the Depository Bank of, the amount of Excess Investment Earnings. Said calculations shall be made or caused to be made by the Issuer in accordance with the following:

- (1) Except as provided in (2), in determining the amount described in clause A(i) of the definition of Excess Investment Earnings, the aggregate amount earned on Nonpurpose Investments shall include (i) all income realized under federal income tax accounting principles (whether or not the person earning such income is subject to federal income tax) with respect to such Nonpurpose Investments and with respect to the

reinvestment of investment receipts from such Nonpurpose Investments), including, but not limited to, gain or loss realized on the disposition of such Nonpurpose Investments (without regard to when such gains are taken into account under Section 453 of the Code relating to taxable year of inclusion of gross income), and income under Section 1272 of the Code (relating to original issue discount) and (ii) any unrealized gain or loss as of the date of retirement of the Bonds in the event that any Nonpurpose Investment is retained after such date.

- (2) In determining the amount described in clause (A) of the definition of Excess Investment Earnings, Investment Property shall be treated as acquired for its fair market value at the time it becomes a Nonpurpose Investment, so that gain or loss on the disposition of such Investment Property shall be computed with reference to such fair market value as its adjusted basis.
- (3) In determining the amount described in clause (A)(ii) of the definition of Excess Investment Earnings, the Yield on the Bonds shall be determined based on the actual Yield of the Bonds during the period between the closing date of the Bonds and the date the computation is made (with adjustments for original issue discount or premium).
- (4) In determining the amount described in clause (B) of the definition of Excess Investment Earnings, all income attributable to the excess described in clause (A) of said definition must be taken into account, whether or not that income exceeds the Yield of the Bond, and no amount may be treated as "negative arbitrage."
- (5) In determining the amount of Excess Investment Earnings, there shall be excluded any amount earned on any fund or account which is used primarily to achieve a proper matching of revenues and debt service within each Bond Year and which is depleted at least once a year except for a reasonable carryover amount not in excess of the greater of 1 year's earnings on such fund or account or 1/12th of annual debt service as well as amounts earned on said earnings if the gross earnings on such fund or account for the Bond Year is less than \$100,000.

E. PAYMENT TO THE UNITED STATES. The Issuer shall direct the Depository Bank to pay from the Rebate Fund an amount equal to Excess Investment Earnings to the United States in installments with the first payment to be made not later than 30 days after the end of the 5th Bond Year and with subsequent payments to be made not later than 5 years after the preceding payment was due. The Issuer shall assure that each such installment is in an amount equal to at least 90% of the Excess Investment Earnings with respect to the Gross Proceeds as of the close of the computation period. Not later than 60 days after the retirement of the Bonds, the Issuer shall direct the Depository Bank to pay from the Rebate Fund to the United

States 100% of the theretofore unpaid Excess Investment Earnings in the Rebate Fund. In the event that there are any amounts remaining in the Rebate Fund following the payment 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 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 by this Subsection E, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor.

F. FURTHER OBLIGATIONS OF ISSUER. The Issuer shall assure that Excess Investment Earnings are not paid or disbursed except as required in this Section. To that end the Issuer shall assure that investment transactions are on an arm's length basis and that Nonpurpose Investments are acquired at their fair market value. In the event that Nonpurpose Investments consist of certificates of deposit or investment contracts, investment in such Nonpurpose Investments shall be made in accordance with the procedures described in applicable Regulations as from time to time in effect. The Depository Bank shall keep the moneys in the Earnings Fund and Rebate Fund invested and reinvested to the fullest extent practicable in Government Obligations with maturities consonant with the required use thereof and investment profits and earnings shall be credited to the account of such fund on which earned.

G. MAINTENANCE OF RECORDS. The Issuer shall keep, and retain for a period of six (6) years following the retirement of the Series 2017 C Bonds, records of the determinations made pursuant to this Section 8.03.

H. INDEPENDENT CONSULTANTS. In order to provide for the administration of this Section 8.03, the Issuer may in its sole discretion provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate.

ARTICLE IX

DEFAULT AND REMEDIES

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

F. If default occurs in the due and punctual payment of the principal of or interest on the Series 2017 C Bonds; or

G. If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2017 C Bonds, set forth in this Bond Legislation, any supplemental resolution or in the Series 2017 C Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, Registrar or any other Paying Agent, the Purchaser or any other Holder of a Bond; or

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

I. If a default occurs under any of the Prior Bonds or any of the Prior Ordinances or under the Series 2017 A and B Bonds or the Series 2017 A and B Bonds Ordinance.

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

Section 9.03 Appointment of Receiver. Any Holder of a Bond, may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Holder of a Bond, shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System or to complete the acquisition of the Acquired Assets on behalf of the Issuer with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses

of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other avenues in conformity with the provisions of this Bond Legislation and the Act.

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

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

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

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

Section 9.04 Restoration of Issuer and Bondholder. In case any Bondholder shall have proceeded to enforce any right under this Ordinance by the appointment of a receiver, by entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer and such Bondholder shall be restored to their former positions and rights hereunder, and all rights and remedies of such Bondholder shall continue as if no such proceedings had been taken.

ARTICLE X

PAYMENT OF BONDS

Section 10.01 Payment of Series 2017 C Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holders of all Series 2017 C Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2017 C Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Amendment or Modification of Bond Legislation. Prior to the issuance of the Series 2017 C Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution or a Certificate of Determinations. Following issuance of the Series 2017 C Bonds, no material modification or amendment of this Bond Legislation, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2017 C Bonds shall be made without the consent in writing of the Holders of a majority or more in principal amount of the Series 2017 C Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds required for consent to the above-permitted amendments or modifications.

Section 11.02 Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Holders of the Series 2017 C Bonds and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03 Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution, Certificate of Determinations or the Series 2017 C Bonds.

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

Section 11.05 Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided that, in the event of any conflict between this Ordinance and the Prior Ordinances, the Prior Ordinances shall control (unless less restrictive), so long as the respective Prior Bonds are Outstanding.

Section 11.06 Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, City Manager, City Clerk and members of the Governing Body and the

Sanitary Board were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.07 Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance, substantially in the form attached hereto as Exhibit A, which is determined by the Issuer to contain sufficient information as to give notice of the contents hereof, shall be published once a week for 2 successive weeks within a period of 14 consecutive days, with at least 6 full days intervening between each publication, in a qualified newspaper published and of general circulation in the City of Oak Hill, together with the notice set forth therein stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2017 C Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than 10 days subsequent to the date of the first publication of the said abstract and notice, and present protests, and that a certified copy of the Ordinance is on file in the office of the City Clerk for review by interested parties during the office hours of the City Clerk.

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

Section 11.08 Effective Date. This Ordinance shall take effect following the public hearing described in Section 11.07 above.

Passed on First Reading

August 14, 2017

Passed on Second Reading

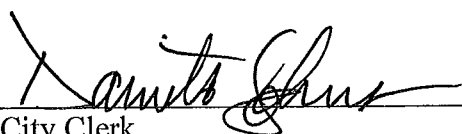
August 21, 2017

Effective following public
hearing held on

September 11, 2017



Mayor



City Clerk

Exhibit A

NOTICE OF PUBLIC HEARING

CITY OF OAK HILL
NOTICE OF PUBLIC HEARING
ON SEWER BOND ORDINANCE

A public hearing will be held on the following entitled Ordinance at a regular meeting of the Council of the City of Oak Hill to be held on _____, _____, 2017, at _____ .m., in the Council Chambers at the Oak Hill City Hall, 100 Kelly Avenue, Oak Hill, West Virginia, and at such hearing any person interested may appear before the Council and present protests, all objections and suggestions shall be heard by the Council and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

ORDINANCE AUTHORIZING THE ACQUISITION OF CERTAIN ASSETS OF ARBUCKLE PUBLIC SERVICE DISTRICT AS ADDITIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF THE CITY OF OAK HILL AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF OAK HILL OF NOT MORE THAN SIX HUNDRED THOUSAND DOLLARS (\$600,000.00) IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF OAK HILL SEWER REVENUE BONDS TO BE DESIGNATED SEWER REVENUE BONDS, "SERIES 2017 C (ARBUCKLE PUBLIC SERVICE DISTRICT)"; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS; ADOPTING OTHER PROVISIONS RELATING THERETO; AND, IN THE ALTERNATIVE, AUTHORIZING THE ASSUMPTION BY THE CITY OF OAK HILL OF THE OBLIGATIONS OF THE ARBUCKLE PUBLIC SERVICE WITH RESPECT TO ITS SEWERAGE SYSTEM REVENUE BONDS, SERIES 1978 AND RELATED BOND RESOLUTION IN CONNECTION WITH SUCH ACQUISITION.

The above-entitled Ordinance was enacted by the Council of the City of Oak Hill upon petition of the Sanitary Board of the Corporation on _____, 2017.

The above quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bond issue contemplated thereby. The City of Oak Hill contemplates the issuance of the Bonds described in said Ordinance. The proceeds of the Bonds will be used to provide permanent financing of a portion of the costs of acquisition of certain additions to the sewerage system for the City of Oak Hill. The Bonds are payable solely from revenues derived

from the ownership and operation of the sewerage system of the City of Oak Hill. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

A certified copy of the above-entitled Ordinance is on file at the office of the City Clerk of the City of Oak Hill for review by interested parties during regular office hours.

Following the said public hearing, the Council intends to enact said Ordinance on final reading and put said Ordinance into effect.

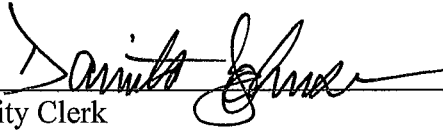
Dated: _____, 2017.

/s/ Damita Johnson, City Clerk

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF OAK HILL on the 21st day of August, 2017, and put into effect following a public hearing held on September 11, 2017.

Dated: September 20, 2017.



City Clerk

[SEAL]

**CITY OF OAK HILL
SEWER REVENUE BONDS,
SERIES 2017 C (ARBUCKLE PUBLIC SERVICE DISTRICT)**

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION SETTING PARAMETERS AS TO AMOUNT, MATURITY, INTEREST RATE, PRICE AND OTHER DETAILS AS TO THE SEWER REVENUE BONDS, SERIES 2017 C (ARBUCKLE PUBLIC SERVICE DISTRICT) OF THE CITY OF OAK HILL; DELEGATING TO THE MAYOR AND THE CITY MANAGER OF THE CITY THE AUTHORITY TO APPROVE THE FINAL TERMS AND PRICING OF THE BONDS; APPOINTING A REGISTRAR, PAYING AGENT, AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the City Council (the "Governing Body") of the City of Oak Hill (the "Issuer") has duly and officially adopted an Ordinance on August 21, 2017, and has put such Ordinance into effect following a public hearing held on the date hereof (the "Ordinance") entitled:

ORDINANCE AUTHORIZING THE ACQUISITION OF CERTAIN ASSETS OF ARBUCKLE PUBLIC SERVICE DISTRICT AS ADDITIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF THE CITY OF OAK HILL AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF OAK HILL OF NOT MORE THAN SIX HUNDRED THOUSAND DOLLARS (\$600,000.00) IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF OAK HILL SEWER REVENUE BONDS TO BE DESIGNATED SEWER REVENUE BONDS, "SERIES 2017 C (ARBUCKLE PUBLIC SERVICE DISTRICT)"; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS; ADOPTING OTHER PROVISIONS RELATING THERETO; AND, IN THE ALTERNATIVE, AUTHORIZING THE ASSUMPTION BY THE CITY OF OAK HILL OF THE OBLIGATIONS OF THE ARBUCKLE PUBLIC SERVICE WITH RESPECT TO ITS SEWERAGE SYSTEM REVENUE

BONDS, SERIES 1978 AND RELATED BOND RESOLUTION
IN CONNECTION WITH SUCH ACQUISITION.

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

WHEREAS, the Ordinance provides for the issuance by the Issuer of not more than Six Hundred Thousand Dollars (\$600,000.00) in aggregate principal amount of sewer revenue bonds (the "Series 2017 C Bonds") to be designated Sewer Revenue Bonds, Series 2017 C (Arbuckle Public Service District) (the "Series 2017 C Bonds"), all in accordance with Chapter 16, Article 13A, of the West Virginia Code of 1931, as amended (the "Act"); and in the Ordinance it is provided that the exact principal amount, date, maturity date, interest rate, interest and principal payment dates, redemption provisions, sale price and other terms of the Series 2017 C Bonds should be established by a Supplemental Resolution or Certificate of Determinations pertaining to the Series 2017 C Bonds; and that other matters relating to the Series 2017 C Bonds be herein provided for;

WHEREAS, the Series 2017 C Bonds shall be on parity with respect to liens, pledges and sources of and security for payment with respect to the Series 1988 A Bonds, the Series 1991A Bonds, the Series 1996 A Bonds and the Series 2017 A and B Bonds and senior and prior to the Series 1988 B Bonds and the Series 1991B Bonds;

WHEREAS, the Issuer has received proposals for the purchase of the Series 2017 C Bonds and has determined that the proposal of Branch Banking and Trust Company (the "Purchaser") is the most advantageous to the Issuer and, accordingly, has accepted such proposal;

WHEREAS, by a Petition adopted on August 14, 2017, the Sanitary Board of the Issuer duly petitioned the Issuer to enact the Ordinance directing that the Series 2017 C Bonds be issued to finance costs of the Project;

WHEREAS, the Series 2017 C are proposed to be purchased by the Purchaser pursuant to its proposal;

WHEREAS, the DEP has requested that the Series 2017 A Bonds described in the Ordinance be issued in two subseries, the first to be designated "Sewer Revenue Bonds, Subseries 2017 A-1 (West Virginia SRF Program)" in an aggregate principal amount not to exceed \$13,792,000 and the second to be designated "Sewer Revenue Bonds, Series 2017 A-2 (West Virginia SRF Program)" in an aggregate principal amount not to exceed \$208,000, and accordingly, certain amendments are made herein to the Ordinance to reflect the foregoing; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the proposal of the Purchaser to purchase the Series 2017 C Bonds be accepted, that the exact principal amount, date, maturity date, interest rate, interest and principal payment dates, redemption provisions, sale price and other terms of the Series 2017 C Bonds be fixed by a Certificate of Determinations in the manner stated herein, that the Ordinance be amended to reflect that the Series 2017 A

Bonds will be issued in two subseries as provided above, and that other matters relating to the Series 2017 A and B Bonds be herein provided for;

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

Section 1. Pursuant to the Ordinance and the Act, this Supplemental Resolution is adopted. As requested by the DEP, the Series 2017 A Bonds shall be issued in two subseries, the first to be designated "Sewer Revenue Bonds, Subseries 2017 A-1 (West Virginia SRF Program)" in an aggregate principal amount not to exceed \$13,792,000 (the "Subseries 2017 A-1 Bonds") and the second to be designated "Sewer Revenue Bonds, Series 2017 A-2 (West Virginia SRF Program)" in an aggregate principal amount not to exceed \$208,000 (the "Subseries 2017 A-2 Bonds") and, the Ordinance is hereby amended accordingly. Without limiting the generality of the foregoing, the references to the Series 2017 A Bonds in the Ordinance shall be collectively to the Subseries 2017 A-1 Bonds and Subseries 2017 A-2 Bonds and, in order to effectuate the issuance of the Series 2017 A Bonds in two subseries as referenced above and to make other necessary changes, the Ordinance is further amended as follows:

A. The following definitions in the Ordinance are amended to read as follows:

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2017 A and B Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority.

"Series 2017 A Bonds" means the Subseries 2017 A-1 Bonds and Subseries 2017 A-2 Bonds.

"Series 2017 A and B Bonds Reserve Accounts" means collectively the Subseries 2017 A-1 Reserve Account, the Subseries 2017 A-2 Bonds Reserve Account and the Series 2017 B Bonds Reserve Account.

"Series 2017 A and B Bonds Sinking Funds" means collectively the Subseries 2017 A-1 Bonds Sinking Fund, the Series 2017 A-2 Bonds Sinking Fund and the Series 2017 B Bonds Sinking Fund.

B. The following definitions are hereby added to Section 1.04 of the Ordinance:

"Purchaser" shall mean the Purchaser of Series 2017 C Bonds to be designated in a Supplemental Resolution or a Certificate of Determinations.

"Subseries 2017 A-1 Bonds" means the not more than \$13,792,000 in aggregate principal amount of Sewer Revenue Bonds, Subseries 2017 A-1 (West Virginia SRF Program), of the Issuer, authorized by this Ordinance.

"Subseries 2017 A-2 Bonds" means the not more than \$208,000 in aggregate principal amount of Sewer Revenue Bonds, Subseries 2017 A-2 (West Virginia SRF Program), of the Issuer, authorized by this Ordinance.

C. The definitions for Series 2017 A Bonds Reserve Account, Series 2017 A Bonds Reserve Requirement and Series 2017 Bonds Sinking Fund in Section 1.04 of the Ordinance are hereby deleted and replaced with the following:

"Subseries 2017 A-1 Bonds Reserve Account" means the Subseries 2017 A-1 Bonds Reserve Account established pursuant to Section 5.02 hereof.

"Subseries 2017 A-1 Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest, if any, which will become due on the Subseries 2017 A-1 Bonds in the then concurrent or any succeeding year.

"Subseries 2017 A-2 Bonds Reserve Account" means the Subseries 2017 A-2 Bonds Reserve Account established pursuant to Section 5.02 hereof.

"Subseries 2017 A-2 Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest, if any, which will become due on the Subseries 2017 A-2 Bonds in the then concurrent or any succeeding year.

"Subseries 2017 A-1 Bonds Sinking Fund" means the Subseries 2017 A-1 Bonds Sinking Fund established by Section 5.02 hereof.

"Subseries 2017 A-2 Bonds Sinking Fund" means the Subseries 2017 A-2 Bonds Sinking Fund established by Section 5.02 hereof.

D. Section 5.02 of the Ordinance is hereby amended to read as follows:

Section 5.02. Establishment or Continuance of Funds and Accounts with Commission. The following special funds or accounts are hereby created (or continued if previously established by the Prior Ordinances or Series 2017 C Bonds Ordinance) with and shall be held by the Commission, separate and apart from all other funds or accounts of the Commission or the Issuer and from each other:

A. Series 1988 A Bonds Sinking Fund
(established by the Prior Ordinances);

B. Within the Series 1988 A Bonds Sinking Fund, the Series 1988 A Bonds Reserve Account (established by the Prior Ordinances);

C. Series 1988 B Bonds Sinking Fund
(established by the Prior Ordinances);

D. Within the Series 1988 B Bonds Sinking Fund, the Series 1988 B Bonds Reserve Account (established by the Prior Ordinances);

E. Series 1991A Bonds Sinking Fund
(established by the Prior Ordinances);

F. Within the Series 1991A Bonds Sinking
Fund, the Series 1991A Bonds Reserve Account (established by
the Prior Ordinances);

G. Series 1991B Bonds Sinking Fund
(established by the Prior Ordinances);

H. Within the Series 1991B Bonds Sinking
Fund, the Series 1991B Bonds Reserve Account (established by
the Prior Ordinances);

I. Series 1996 A Bonds Sinking Fund
(established by the Prior Ordinances);

J. Within the Series 1996 A Bonds Sinking
Fund, the Series 1996 A Bonds Reserve Account (established by
the Prior Ordinances);

K. Subseries 2017 A-1 Bonds Sinking Fund;

L. Within the Subseries 2017 A-1 Bonds
Sinking Fund, the Subseries 2017 A-1 Bonds Reserve Account;

M. Subseries 2017 A-2 Bonds Sinking Fund;

N. Within the Subseries 2017 A-2 Bonds
Sinking Fund, the Subseries 2017 A-2 Bonds Reserve Account;

O. Series 2017 B Bonds Sinking Fund;

P. Within the Series 2017 B Bonds Sinking
Fund, the Series 2017 B Bonds Reserve Account;

Q. Series 2017 C Bonds Sinking Fund
(established by the Series 2017 C Bond Ordinance; and

R. Within the Series 2017 C Bonds Sinking
Fund, the Series 2017 C Bonds Reserve Account (established by the
Series 2017 C Bonds Ordinance).

E. Section 5.03A is hereby amended to read as follows:

Section 5.03. System Revenues; Flow of Funds.

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

2. The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and, simultaneously, (i) remit to the Commission the amounts required by the Prior Ordinances to be deposited in the Series 1988 A Bonds Sinking Fund for payment of the interest on and principal of the Series 1988 A Bonds, (ii) remit to the Commission the amounts required by the Prior Ordinances to be deposited in the Series 1991A Bonds Sinking Fund for payment of the interest on and principal of the Series 1991A Bonds, (iii) remit to the Commission the amounts required by the Prior Ordinances to be deposited in the Series 1996 A Bonds Sinking Fund for payment of interest on and principal of the Series 1996 A Bonds;; (iv) remit to the Commission the amounts required by the Series 2017 A and B Bonds Ordinance for the payment of interest on and principal of the Series 2017 A-1 Bonds; (v) remit to the Commission the amounts required by the Series 2017 A and B Bonds Ordinance for the payment of interest on and principal of the Series 2017 A-2 Bonds (vi) remit to the Commission the amounts required by the Series A and B Bonds Ordinance for the payment of interest on and principal of the Series 2017 B Bonds; and (vii) commencing one (1) month prior to the first date of payment of principal of and interest on the Series 2017 C Bonds, remit to the Commission for deposit in the Series 2017 C Bonds Sinking Fund, an amount equal to the amount of principal of and interest which will mature and become due on the Series 2017 C Bonds on the next ensuing monthly principal and interest payment date.

3. The Issuer shall next, on each date that payment is made as set forth in subsection 5.03A(2) above, transfer from the Revenue Fund and, simultaneously, (i) remit to the Commission the amount required by the Prior Ordinances to be deposited in the Series 1988 A Bonds Reserve Account, (ii) remit to the Commission the amount required by the Prior Ordinances to be deposited in the Series 1991A Bonds Reserve Account, (iii) remit to the Commission the amount required by the Prior Ordinances to be deposited in the Series 1996 A Bonds Reserve Account;(iv) remit to the Commission the amount required by the Series 2017 A and B Bonds Ordinance to be deposited in the Series

2017 A-1 Bonds Reserve Account; (v)) remit to the Commission the amount required by the Series 2017 A and B Bonds Ordinance to be deposited in the Series 2017 A-2 Bonds Reserve Account; (vi) remit to the Commission the amount required by the Series 2017 A and B Bonds Ordinance to be deposited in the Series 2017 B Bonds Reserve Account; and (vii) commencing 1 month prior to the first date of payment of principal of the Series 2017 C Bonds or such other date as may be set forth in the Supplemental Resolution or in a Certificate of Determinations, if not fully funded upon issuance of the Series 2017 C Bonds, remit to the Commission for deposit in the Series 2017 C Bonds Reserve Account an amount equal to 1/120 of the Series 2017 C Bonds Reserve Requirement or such other amount as may be set forth in the Supplemental Resolution or in a Certificate of Determinations, provided, that no further payments shall be made into the Series 2017 C Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2017 C Bonds Reserve Requirement.

4. The Issuer shall next, from the moneys remaining in the Revenue Fund, on the first day of each month (as previously set forth in the Prior Ordinances and in the Series 2017 A and B Bonds Ordinance and not in addition thereto), transfer to the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or extensions to the System; provided, that any deficiencies in the reserve accounts established with respect to the Prior Bonds, the Series 2017 A and B Bonds Reserve Accounts or the Series 2017 C Bonds 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 moneys from the Renewal and Replacement Fund.

5. The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and pay to the Commission the amount required by the Prior Ordinances to be deposited in the Series 1988 B Bonds Sinking Fund for payment of principal of the Series 1988 B Bonds, and in the Series 1991B Bonds Sinking Fund for payment of principal of the Series 1991B Bonds.

6. The Issuer shall next, on the first day of each month, transfer from the Revenue Fund to the Commission the amounts

required by the Prior Ordinances to be deposited in the Series 1988 B Bonds Reserve Account and in the Series 1991B Bonds Reserve Account.

Moneys in the Series 2017 C Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2017 C Bonds as the same shall become due. Moneys in the Series 2017 C Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2017 C Bonds, as the same shall come due, when other moneys in the Series 2017 C Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 2017 C Bonds Sinking Fund and Series 2017 C Bonds Reserve Account (if equal to at least the Series 2017 C Bond Reserve Requirement) shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall be deposited in the Revenue Fund and applied in full, first to the next ensuing principal payment due on the respective Series 2017 C Bonds.

Any withdrawals from the Series 2017 C Bonds Reserve Account which result in a reduction in the balance of the Series 2017 C Bonds Reserve Account to below the Series 2017 C Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2017 C Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2017 C Bonds Sinking Fund or into the Series 2017 C Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2017 C Bonds then Outstanding and all interest to accrue until the respective maturities thereof.

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

If requested by the Purchaser, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

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

The Series 2017 C Bonds Sinking Fund shall be used solely and only for, and is hereby pledged for, the purpose of servicing the Series 2017 C Bonds under the conditions and restrictions set forth herein. The Series 2017 C Bonds Reserve Account shall be used solely and only for, and is hereby pledged for, the purpose of servicing the Series 2017 C Bonds when the amounts in the Series 2017 C Bonds Sinking Fund are not adequate to do so.

Moneys in the Series 2017 C Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2017 C Bonds as the same shall become due. Moneys in the Series 2017 C Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2017 C Bonds, as the same shall come due, when other moneys in the Series 2017 C Bonds Sinking Fund are insufficient therefor, and for no other purpose

F. The form of the Series 2017 C Bonds, shall be as follows:

[Form of Series 2017 C Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF OAK HILL
SEWER REVENUE BOND,
SERIES 2017 C
(ARBUCKLE PUBLIC SERVICE DISTRICT)

No. CR-_____ \$ _____

KNOW ALL MEN BY THESE PRESENTS: That CITY OF OAK HILL, a municipal corporation and political subdivision of the State of West Virginia in Fayette County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth to the order of _____ (the "Purchaser"), or its registered assigns, at _____, _____, West Virginia _____, or at such other place as the Purchaser may hereafter designate in writing, the principal sum of SIX HUNDRED THOUSAND DOLLARS (\$600,000.00), plus interest on the unpaid principal balance at the rate of _____ per cent (____%) per annum. As set forth in the Debt Service Schedule attached hereto as Exhibit A, the said principal and interest shall be paid in monthly installments in the amount of \$ _____, covering principal and interest, commencing on _____ 1, 2017, and thereafter on said corresponding day of each month, except that the final installment shall be paid on _____ 1, 20____.

Notwithstanding the foregoing, in the event of a Determination of Taxability, as hereinafter defined, the interest rate hereon shall be equal to the Taxable Rate, as hereinafter defined, commencing from the effective date of such Determination of Taxability. For purposes of the immediately preceding sentence, the following terms shall have the following meanings:

"Determination of Taxability" means a determination that all or any portion of the interest income on this Bond is not excludable from the gross income under Section 103 of the Code ("exempt interest") of a holder or former holder of this Bond. The determination shall be deemed to have been made upon the occurrence of the first to occur of the following: (a) the date on which the registered owner of this Bond is notified that Bond Counsel is unable to deliver an opinion that interest on this Bond is excludable from gross income for federal income tax purposes; (b) the date on which any change in law or regulation becomes effective or on which the Internal Revenue Service (the "IRS") issues any private ruling, technical advice or any other written communication with or to the effect that the interest income on this Bond does not qualify as exempt interest; or (c) the date on which the Issuer shall receive notice from the Purchaser in writing that the Purchaser has been notified by the Internal Revenue Service, or has been advised by the Issuer, any registered owner or former registered owner of this Bond that the Internal Revenue Service has issued a thirty-day letter or other notice which asserts that the interest on this Bond does not qualify as exempt interest.

"Taxable Rate" means _____% per annum.

[Interest on this Bond shall be calculated based upon a 360 day year consisting of twelve thirty-day months.]

Notwithstanding any provision of this Bond to the contrary, this Bond shall evidence only the indebtedness reflected as outstanding on the Record of Advances attached hereto as Exhibit B. Interest shall accrue only on the amount of each advance from its actual date as listed on such Record of Advances and shall cease to accrue on the amount outstanding, or portions thereof, as the same is paid. Advances and payments shall be noted by the Purchaser hereof on the Record of Advances attached hereto as the same are made, and the grid record maintained by the Purchaser as hereinafter described shall be determinative as to such matters absent manifest error.

The principal and interest installments on this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of Branch Banking and Trust Company, Charleston, West Virginia, as the Registrar (as defined in the hereinafter described Bond Legislation) on the 15th day of the month next preceding a payment date, or by such other method as shall be mutually agreeable so long as the Purchaser is the registered owner hereof.

This Bond may be redeemed prior to its stated date of maturity as follows:

This Bond is issued (i) to permanently finance the amounts needed to acquire certain assets of the Arbuckle Public Service District (the "Acquired Assets"), which Acquired Assets will constitute additions to the existing public sewerage system of the Issuer; (ii) [to fund a debt service reserve fund]; and (iii) to pay certain costs of issuance hereof and related costs. The existing public sewerage system facilities of the Issuer, the Acquired Assets and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended (the "Act"), and a Bond Ordinance duly enacted by the Issuer on _____, 2017 and a Supplemental Resolution duly adopted by the Issuer on _____, 2017 (the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other securities provided for the Bonds of this Series (the "Bonds") under the Bond Legislation.

THE BOND IS ISSUED ON A PARITY, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 1988 A, DATED AUGUST 25, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,764,285 (THE "SERIES 1988 A BONDS"), SEWER REVENUE BONDS, SERIES 1991A,

DATED MARCH 28, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,817,920 (THE "SERIES 1991A BONDS"), SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 20, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 1996 A BONDS"), SEWER REVENUE BONDS, SUBSERIES 2017 A-1 (WEST VIRGINIA SRF PROGRAM) DATED CONTEMPORANEOUSLY HERewith OR AFTER THE DATE HEREOF ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF \$13,792,000 (THE "SERIES 2017 A-1 BONDS"); SUBSERIES 2017 A-2 (WEST VIRGINIA SRF PROGRAM) DATED CONTEMPORANEOUSLY HERewith OR AFTER THE DATE HEREOF ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF \$208,000 (THE "SERIES 2017 A-2 BONDS"); AND SEWER REVENUE BONDS, SERIES 2017 B (WEST VIRGINIA INFRASTRUCTURE FUND) DATED CONTEMPORANEOUSLY HERewith OR AFTER THE DATE HEREOF ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$8,365,211 (THE "SERIES 2017 B BONDS").

THE BOND IS ISSUED SENIOR AND PRIOR, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, TO THE ISSUER'S SEWER REVENUE BONDS, SERIES 1988 B, DATED AUGUST 25, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$441,071 (THE "SERIES 1988 B BONDS"), AND SEWER REVENUE BONDS, SERIES 1991B, DATED MARCH 28, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$82,080 (THE "SERIES 1991B BONDS").

THE SERIES 1988 A BONDS, THE SERIES 1991A BONDS, THE SERIES 1996 A BONDS, THE SERIES 2017 A BONDS, THE SERIES 2017 B BONDS, THE SERIES 1988 B BONDS AND THE SERIES 1991B BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on parity with the pledge of the Net Revenues in favor of the holders of the Series 1988 A Bonds, Series 1991 A Bonds, Series 1996 A Bonds, Series 2017 A-1 Bonds, Series 2017 A-2 and Series 2017 B Bonds and senior and prior to the Series 1988 B Bonds and Series 1991 B Bonds as such Bonds are hereinafter described and defined, and from moneys, if any, in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2017 C Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all Bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues, the moneys in the Series 2017 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, for each fiscal year to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each fiscal year equal to at least 115% of the maximum amount payable in any fiscal year for principal of and interest on

the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Bonds, including the Prior Bonds, as hereinafter defined. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond 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 the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

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

IN WITNESS WHEREOF, CITY OF OAK HILL 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 City Clerk, and has caused this Bond to be dated _____, 2017.

CITY OF OAK HILL

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

Date: _____.

_____,
as Registrar

By: _____

EXHIBIT A
DEBT SERVICE SCHEDULE

EXHIBIT B
RECORD OF ADVANCES

	<u>Amount</u>	<u>Date</u>		<u>Amount</u>	<u>Date</u>
(1)	\$		(7)	\$	
(2)	\$		(8)	\$	
(3)	\$		(9)	\$	
(4)	\$		(10)	\$	
(5)	\$		(11)	\$	
(6)	\$		(12)	\$	

Total \$ _____

(Form of)
ASSIGNMENT

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

Dated: _____, 20_____.

In the presence of:

Section 2. The proposal of Branch Banking and Trust Company is hereby accepted and, accordingly, is hereby designed as the Purchaser of the Series 2017 C Bond provided that, in the event the Mayor or City Manager determines that the Issuer will not be able to consummate the purchase of the Series 2017 C Bonds by Branch Banking and Trust Company, the "Purchaser" shall be such other bank as may be designated in the Certificate of Determinations.

Section 3. Pursuant to the Ordinance and the Act, there are hereby authorized and ordered to be issued the Series 2017 C Bonds. The Series 2017 C Bonds shall be dated, shall be issued in such aggregate principal amount not to exceed \$600,000, shall bear interest at a rate not to exceed 5.0% per annum, with interest payable on such dates, with final maturity to be on or before October 1, 2027, and shall have such redemption provisions and other terms as shall be approved by the Mayor or City Manager as set forth in a Certificate of Determinations executed by the Mayor or City Manager prior to the date of delivery of the Series 2017 C Bonds, which Certificate shall be substantially in the form attached hereto as Exhibit A.

Section 4. All other provisions relating to the Series 2017 C Bonds shall be as provided the Ordinance except as provided herein and the text of the Series 2017 C Bonds shall be as provided in Section 1.G. above.

Section 5. The Issuer does hereby appoint and designate Branch Banking and Trust Company, to serve as Registrar for the Series 2017 C Bonds.

Section 6. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2017 C Bonds under the Resolution.

Section 7. The Issuer does hereby appoint and designate the Bank of Mount Hope, Oak Hill, West Virginia, to serve as Depository Bank under the Resolution.

Section 8. The Series 2017 C Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2017 C Bonds Sinking Fund as capitalized interest.

Section 9. The Series 2017 C Bonds proceeds in the amount of \$-0- shall be deposited in a Series 2017 C Bonds Reserve Account.

Section 10. The proceeds of the Series 2017 C Bonds shall be disbursed for the payment of Costs of the Acquired Assets, and payment of cost of issuance of the Series 2017 C Bonds and the reimbursement of the Issuer of any such Costs paid by the Issuer, in the manner to be set forth in the Certificate of Determinations.

Section 11. The Mayor, City Manager and City Clerk are hereby authorized and directed to execute and deliver the Series 2017 C Bonds and such other documents, agreements, instruments and certificates required or desirable in connection with the Series 2017 C Bonds hereby and by the Ordinance approved and provided for, and to affix thereon the seal of

the Issuer, as appropriate, to the end that the Series 2017 C Bonds may be delivered to the Purchaser on or about September 20, 2017, or as soon thereafter as practicable. In the event Mayor Dickinson is unable to execute and deliver the Series 2017 C Bonds and other documents, agreements, instruments and certificates required or desirable in connection with the Series 2017 C Bonds, Bruce Coleman is hereby appointed and designated as acting Mayor for the purpose of executing and delivering the Series 2017 C Bonds and other documents, agreements, instruments and certificates required or desirable in connection with the Series 2017 C Bonds.

Section 12. The acquisition of the Acquired Assets and the financing thereof with the proceeds of the Series 2017 C Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 13. The Governing Body hereby determines that it is in the best interest of the Issuer to invest all monies in the funds and accounts established by the Ordinance held by the Depository Bank in time deposits of the Depository Bank, secured by a pledge of Government Obligations, and therefore the Issuer hereby authorizes and directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such time deposits until further directed by the Issuer. Monies in the Sinking Funds and Reserve Accounts for the Series 2017 C Bonds shall be invested by the Commission in the West Virginia Consolidated Fund.

Section 14. All contracts relating to the financing an acquisition of the Acquired Assets are hereby approved and the Mayor and the City Manager are each hereby authorized and directed to execute and deliver all such contracts.

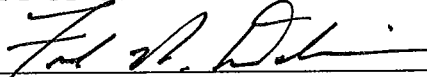
Section 15. The Issuer hereby approves the costs of issuance and authorizes the payment of the same.

Section 16. The Issuer hereby approves payment of all invoices and bills for the Acquired Assets from the proceeds of the Series 2017 C Bonds.

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

Adopted this 11th day of September, 2017.

CITY OF OAK HILL



Mayor

EXHIBIT A

**CERTIFICATE OF DETERMINATIONS PURSUANT TO
SUPPLEMENTAL RESOLUTION ADOPTED BY THE
COUNCIL OF THE CITY OF OAK HILL
ON SEPTEMBER 11, 2017,
RELATING TO THE ISSUANCE AND SALE OF NOT TO EXCEED
\$600,000 CITY OF OAK HILL (ARBUCKLE PUBLIC SERVICE DISTRICT)
SEWER REVENUE BONDS, SERIES 2017 C**

The undersigned [Mayor/City Manager] of the City of Oak Hill (the "Issuer"), pursuant to Section 3 of the Supplemental Resolution of the Issuer adopted on September 11, 2017, which Supplemental Resolution supplemented and amended the Ordinance of the Issuer adopted on August 21, 2017, and put into effect following a public hearing held on September 11, 2017 (collectively, the "Bond Ordinance"), relating to the issuance and sale of not to exceed \$600,000 City of Oak Hill Sewer Revenue Bonds (Arbuckle Public Service District), Series 2017 C (the "Bonds"), hereby make the following determinations:

1. The Bonds shall be issued in the aggregate principal amount of \$_____.

2. The Bonds shall be issued as a single certificate number CR-1 issued in the name of Branch Banking and Trust Company, as the Purchaser of the Bonds.

3. The interest rate for such Bonds shall _____ % per annum.

4. The mandatory redemption provisions of the Bonds shall be the respective principal components of the payments as set forth in Exhibit A.

5. The optional redemption provisions for the Bonds shall _____.

6. The purchase price for the Bonds shall be \$_____, which is the par amount of the Bonds.

7. The sum of \$_____ shall be deposited in the Series 2017 C Bonds Reserve Account from the proceeds of the Bonds.

8. The proceeds of the Bonds shall be disbursed as follows:

IN WITNESS WHEREOF, the undersigned [Mayor/City Manager] of the City of Oak Hill has caused this document to be executed as of the ____ day of September, 2017.

[Mayor/City Manager]

EXHIBIT A

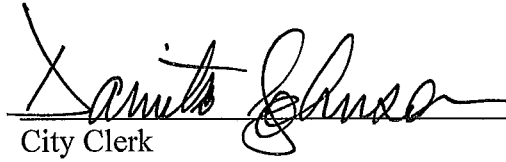
AMORTIZATION SCHEDULE

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the City Council of the City of Oak Hill on the 11th day of September, 2017.

Dated: September 20, 2017.

[SEAL]



City Clerk

**CERTIFICATE OF DETERMINATIONS PURSUANT TO
SUPPLEMENTAL RESOLUTION ADOPTED BY THE
COUNCIL OF THE CITY OF OAK HILL
ON SEPTEMBER 11, 2017,
RELATING TO THE ISSUANCE AND SALE OF NOT TO EXCEED
\$600,000 CITY OF OAK HILL (ARBUCKLE PUBLIC SERVICE DISTRICT)
SEWER REVENUE BONDS, SERIES 2017 C**

The undersigned City Manager of the City of Oak Hill (the "Issuer"), pursuant to Section 3 of the Supplemental Resolution of the Issuer adopted on September 11, 2017, which Supplemental Resolution supplemented and amended the Ordinance of the Issuer adopted on August 21, 2017, and put into effect following a public hearing held on September 11, 2017 (collectively, the "Bond Ordinance"), relating to the issuance and sale of not to exceed \$600,000 City of Oak Hill Sewer Revenue Bonds (Arbuckle Public Service District), Series 2017 C (the "Bonds"), hereby make the following determinations:

1. The Bonds shall be issued in the aggregate principal amount of \$512,000.00.

2. The Bonds shall be issued as a single certificate number CR-1 issued in the name of Branch Banking and Trust Company, as the Purchaser of the Bonds.

3. The interest rate for such Bonds shall 2.0 % per annum.

4. The mandatory redemption provisions of the Bonds shall be the respective principal components of the payments as set forth in Exhibit A.

5. The optional redemption provisions for the Bonds shall be as follows: The Bonds may be redeemed prior to their stated date of maturity as follows: only in whole on a scheduled payment date with a 1% prepayment penalty.

6. The purchase price for the Bonds shall be \$512,000.00, which is the par amount of the Bonds.

7. The sum of \$-0- shall be deposited in the Series 2017 C Bonds Reserve Account from the proceeds of the Bonds.

8. The proceeds of the Bonds shall be disbursed to the Client Trust Account of Bowles Rice LLP and disbursed therefrom as follows:

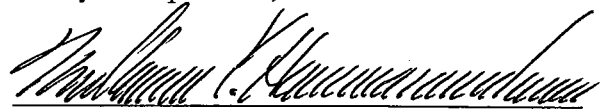
USDA-Rural Development	\$ 441,509.47
Arbuckle Public Service District	48,299.50
Bowles Rice LLP	22,191.03

9. The Bonds shall mature on October 1, 2021.

10. The definition of "Series 2017 C Bonds Reserve Requirement" is hereby amended to read as follows:

“Series 2017 C Bonds Reserve Requirement” means, as of any date of calculation, the least of (i) 10% of the original stated principal amount of the Series 2017 C Bonds; (ii) the maximum amount of principal and interest which will become due on the Series 2017 C Bonds in any year; or (iii) 125% of the average amount of principal and interest which will become due on the Series 2017 C Bonds.

IN WITNESS WHEREOF, the undersigned City Manager of the City of Oak Hill has caused this document to be executed as of the 20th day of September, 2017.

A handwritten signature in black ink, appearing to read "Paul C. Hummer", is written over a horizontal line.

City Manager

Bond Debt Service
City of Oak Hill, WV Customer # 9948000609
Revenue Bond(Sewer Revenue Bond) Contract No. 00009
Dated Date 9/20/2017
Delivery
Date 9/20/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
9/20/2017						512,000.00	512,000.00
11/1/2017	9,948.46	2.000%	1,166.22	11,114.68		502,051.54	502,051.54
12/1/2017	10,277.93	2.000%	836.75	11,114.68		491,773.61	491,773.61
1/1/2018	10,295.06	2.000%	819.62	11,114.68		481,478.56	481,478.56
2/1/2018	10,312.22	2.000%	802.46	11,114.68		471,166.34	471,166.34
3/1/2018	10,329.40	2.000%	785.28	11,114.68		460,836.94	460,836.94
4/1/2018	10,346.62	2.000%	768.06	11,114.68		450,490.32	450,490.32
5/1/2018	10,363.86	2.000%	750.82	11,114.68		440,126.46	440,126.46
6/1/2018	10,381.14	2.000%	733.54	11,114.68		429,745.32	429,745.32
7/1/2018	10,398.44	2.000%	716.24	11,114.68		419,346.88	419,346.88
8/1/2018	10,415.77	2.000%	698.91	11,114.68		408,931.11	408,931.11
9/1/2018	10,433.13	2.000%	681.55	11,114.68		398,497.99	398,497.99
10/1/2018	10,450.52	2.000%	664.16	11,114.68		388,047.47	388,047.47
11/1/2018	10,467.93	2.000%	646.75	11,114.68		377,579.53	377,579.53
12/1/2018	10,485.38	2.000%	629.30	11,114.68		367,094.15	367,094.15
1/1/2019	10,502.86	2.000%	611.82	11,114.68		356,591.30	356,591.30
2/1/2019	10,520.36	2.000%	594.32	11,114.68		346,070.94	346,070.94
3/1/2019	10,537.90	2.000%	576.78	11,114.68		335,533.04	335,533.04
4/1/2019	10,555.46	2.000%	559.22	11,114.68		324,977.58	324,977.58
5/1/2019	10,573.05	2.000%	541.63	11,114.68		314,404.53	314,404.53
6/1/2019	10,590.67	2.000%	524.01	11,114.68		303,813.86	303,813.86
7/1/2019	10,608.32	2.000%	506.36	11,114.68		293,205.53	293,205.53
8/1/2019	10,626.00	2.000%	488.68	11,114.68		282,579.53	282,579.53
9/1/2019	10,643.71	2.000%	470.97	11,114.68		271,935.82	271,935.82
10/1/2019	10,661.45	2.000%	453.23	11,114.68		261,274.36	261,274.36
11/1/2019	10,679.22	2.000%	435.46	11,114.68		250,595.14	250,595.14
12/1/2019	10,697.02	2.000%	417.66	11,114.68		239,898.12	239,898.12
1/1/2020	10,714.85	2.000%	399.83	11,114.68		229,183.27	229,183.27
2/1/2020	10,732.71	2.000%	381.97	11,114.68		218,450.56	218,450.56
3/1/2020	10,750.60	2.000%	364.08	11,114.68		207,699.96	207,699.96
4/1/2020	10,768.51	2.000%	346.17	11,114.68		196,931.45	196,931.45
5/1/2020	10,786.46	2.000%	328.22	11,114.68		186,144.99	186,144.99
6/1/2020	10,804.44	2.000%	310.24	11,114.68		175,340.55	175,340.55
7/1/2020	10,822.45	2.000%	292.23	11,114.68		164,518.10	164,518.10
8/1/2020	10,840.48	2.000%	274.20	11,114.68		153,677.62	153,677.62
9/1/2020	10,858.55	2.000%	256.13	11,114.68		142,819.07	142,819.07
10/1/2020	10,876.65	2.000%	238.03	11,114.68		131,942.42	131,942.42
11/1/2020	10,894.78	2.000%	219.90	11,114.68		121,047.65	121,047.65
12/1/2020	10,912.93	2.000%	201.75	11,114.68		110,134.71	110,134.71
1/1/2021	10,931.12	2.000%	183.56	11,114.68		99,203.59	99,203.59
2/1/2021	10,949.34	2.000%	165.34	11,114.68		88,254.25	88,254.25
3/1/2021	10,967.59	2.000%	147.09	11,114.68		77,286.66	77,286.66
4/1/2021	10,985.87	2.000%	128.81	11,114.68		66,300.79	66,300.79
5/1/2021	11,004.18	2.000%	110.50	11,114.68		55,296.61	55,296.61

6/1/2021	11,022.52	2.000%	92.16	11,114.68	44,274.09	44,274.09
7/1/2021	11,040.89	2.000%	73.79	11,114.68	33,233.20	33,233.20
8/1/2021	11,059.29	2.000%	55.39	11,114.68	22,173.91	22,173.91
9/1/2021	11,077.72	2.000%	36.96	11,114.68	11,096.19	11,096.19
10/1/2021	11,096.19	2.000%	18.49	11,114.68		
	512,000.00		21,504.65	533,504.65	533,504.65	

UNITED STATES OF AMERICA/
STATE OF WEST VIRGINIA
CITY OF OAK HILL
SEWER REVENUE BOND,
SERIES 2017 C
(ARBUCKLE PUBLIC SERVICE DISTRICT)

No. CR-1

\$512,000.00

KNOW ALL MEN BY THESE PRESENTS: That CITY OF OAK HILL, a municipal corporation and political subdivision of the State of West Virginia in Fayette County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth to the order of BRANCH BANKING AND TRUST COMPANY (the "Purchaser"), or its registered assigns, at 5130 Parkway Plaza Blvd., Charlotte, North Carolina 28217, or at such other place as the Purchaser may hereafter designate in writing, the principal sum of FIVE HUNDRED TWELVE THOUSAND DOLLARS (\$512,000.00), plus interest on the unpaid principal balance at the rate of Two Percent (2.00%) per annum. As set forth in the Debt Service Schedule attached hereto as Exhibit A, the said principal and interest shall be paid in monthly installments in the amount of \$11,114.68 covering principal and interest, commencing on November 1, 2017, and thereafter on said corresponding day of each month, except that the final installment shall be paid on October 1, 2021.

Notwithstanding the foregoing, in the event of a Determination of Taxability, as hereinafter defined, the interest rate hereon shall be equal to the Taxable Rate, as hereinafter defined, commencing from the effective date of such Determination of Taxability. For purposes of the immediately preceding sentence, the following terms shall have the following meanings:

"Determination of Taxability" means a determination that all or any portion of the interest income on this Bond is not excludable from the gross income under Section 103 of the Code ("exempt interest") of a holder or former holder of this Bond. The determination shall be deemed to have been made upon the occurrence of the first to occur of the following: (a) the date on which the registered owner of this Bond is notified that Bond Counsel is unable to deliver an opinion that interest on this Bond is excludable from gross income for federal income tax purposes; (b) the date on which any change in law or regulation becomes effective or on which the Internal Revenue Service (the "IRS") issues any private ruling, technical advice or any other written communication with or to the effect that the interest income on this Bond does not qualify as exempt interest; or (c) the date on which the Issuer shall receive notice from the Purchaser in writing that the Purchaser has been notified by the Internal Revenue Service, or has been advised by the Issuer, any registered owner or former registered owner of this Bond that the Internal Revenue Service has issued a thirty-day letter or other notice which asserts that the interest on this Bond does not qualify as exempt interest.

"Taxable Rate" means 3.00% per annum.

Interest on this Bond shall be calculated based upon a 360 day year consisting of twelve thirty-day months.

Notwithstanding any provision of this Bond to the contrary, this Bond shall evidence only the indebtedness reflected as outstanding on the Record of Advances attached hereto as Exhibit B. Interest shall accrue only on the amount of each advance from its actual date as listed on such Record of Advances and shall cease to accrue on the amount outstanding, or portions thereof, as the same is paid. Advances and payments shall be noted by the Purchaser hereof on the Record of Advances attached hereto as the same are made, and the grid record maintained by the Purchaser as hereinafter described shall be determinative as to such matters absent manifest error.

The principal and interest installments on this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of Branch Banking and Trust Company, Charlotte, North Carolina, as the Registrar (as defined in the hereinafter described Bond Legislation), on the 15th day of the month next preceding a payment date, or by such other method as shall be mutually agreeable so long as the Purchaser is the registered owner hereof.

This Bond may be redeemed prior to its stated date of maturity as follows: only in whole on a scheduled payment date with a 1% prepayment penalty.

This Bond is issued (i) to permanently finance the amounts needed to acquire certain assets of the Arbuckle Public Service District (the "Acquired Assets"), which Acquired Assets will constitute additions to the existing public sewerage system of the Issuer; (ii) [to fund a debt service reserve fund]; and (iii) to pay certain costs of issuance hereof and related costs. The existing public sewerage system facilities of the Issuer, the Acquired Assets and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended (the "Act"), and a Bond Ordinance duly enacted by the Issuer on August 21, 2017, 2017, and put into effect following a public hearing held on September 11, 2017, and a Supplemental Resolution duly adopted by the Issuer on September 11, 2017 (the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other securities provided for the Bonds of this Series (the "Bonds") under the Bond Legislation.

THE BOND IS ISSUED ON A PARITY, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 1988 A, DATED AUGUST 25, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,764,285 (THE "SERIES 1988 A BONDS"), SEWER REVENUE BONDS, SERIES 1991A, DATED MARCH 28, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,817,920 (THE "SERIES 1991A BONDS"), SEWER REVENUE BONDS, SERIES 1996 A (WEST VIRGINIA SRF PROGRAM), DATED AUGUST 20, 1996, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000 (THE "SERIES 1996 A BONDS"), SEWER REVENUE BONDS, SUBSERIES 2017 A-1 (WEST VIRGINIA SRF PROGRAM) DATED CONTEMPORANEOUSLY HERewith OR AFTER THE DATE HEREOF ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF \$13,792,000 (THE "SERIES 2017 A-1 BONDS"); SUBSERIES 2017 A-2 (WEST VIRGINIA SRF PROGRAM) DATED CONTEMPORANEOUSLY HERewith OR AFTER THE DATE HEREOF ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF \$208,000 (THE "SERIES 2017 A-2 BONDS"); AND SEWER REVENUE BONDS, SERIES 2017 B (WEST VIRGINIA INFRASTRUCTURE FUND) DATED CONTEMPORANEOUSLY HERewith OR AFTER THE DATE HEREOF ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$8,365,211 (THE "SERIES 2017 B BONDS").

THE BOND IS ISSUED SENIOR AND PRIOR, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, TO THE ISSUER'S SEWER REVENUE BONDS, SERIES 1988 B, DATED AUGUST 25, 1988, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$441,071 (THE "SERIES 1988 B BONDS"), AND SEWER REVENUE BONDS, SERIES 1991B, DATED MARCH 28, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$82,080 (THE "SERIES 1991B BONDS").

THE SERIES 1988 A BONDS, THE SERIES 1991A BONDS, THE SERIES 1996 A BONDS, THE SERIES 2017 A BONDS, THE SERIES 2017 B BONDS, THE SERIES 1988 B BONDS AND THE SERIES 1991B BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on parity with the pledge of the Net Revenues in favor of the holders of the Series 1988 A Bonds, Series 1991 A Bonds, Series 1996 A Bonds, Series 2017 A-1 Bonds, Series 2017 A-2 and Series 2017 B Bonds and senior and prior to the Series 1988 B Bonds and Series 1991 B Bonds as such Bonds are hereinafter described and defined, and from moneys, if any, in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2017 C Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all Bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of

any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues, the moneys in the Series 2017 C Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, for each fiscal year to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each fiscal year equal to at least 115% of the maximum amount payable in any fiscal year for principal of and interest on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Bonds, including the Prior Bonds, as hereinafter defined. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

This Bond is, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of the State.

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond 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 the Issuer, does not exceed any limit prescribed by the Constitution or

statutes of the State of West Virginia and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of and interest on this Bond.

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

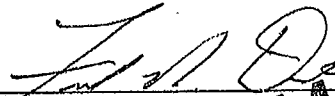
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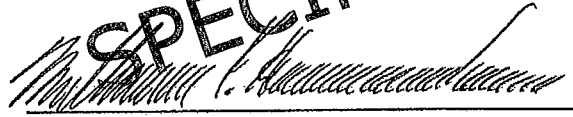
SPECIMEN

IN WITNESS WHEREOF, CITY OF OAK HILL 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 City Clerk, and has caused this Bond to be dated September 20, 2017.

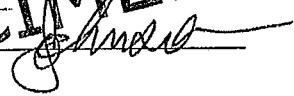
CITY OF OAK HILL

[SEAL]


Mayor


City Manager

ATTEST:


City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

Date: September 20, 2017.

BRANCH BANKING AND TRUST
COMPANY,
as Registrar

By: *[Signature]* **SPECIMEN**

EXHIBIT A

DEBT SERVICE SCHEDULE

SPECIMEN

Bond Debt Service
City of Oak Hill, WV Customer # 9948000609
Revenue Bond(Sewer Revenue Bond) Contract No. 00009
Dated Date 9/20/2017
Delivery Date 9/20/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
9/20/2017						512,000.00	512,000.00
11/1/2017	9,948.46	2.000%	1,166.22	11,114.68		502,051.54	502,051.54
12/1/2017	10,277.93	2.000%	836.75	11,114.68		491,773.61	491,773.61
1/1/2018	10,295.06	2.000%	819.62	11,114.68		481,478.56	481,478.56
2/1/2018	10,312.22	2.000%	802.46	11,114.68		471,166.34	471,166.34
3/1/2018	10,329.40	2.000%	785.28	11,114.68		460,836.94	460,836.94
4/1/2018	10,346.62	2.000%	768.06	11,114.68		450,490.32	450,490.32
5/1/2018	10,363.86	2.000%	750.82	11,114.68		440,126.46	440,126.46
6/1/2018	10,381.14	2.000%	733.54	11,114.68		429,745.32	429,745.32
6/30/2018					88,917.44	429,745.32	429,745.32
7/1/2018	10,398.44	2.000%	716.24	11,114.68		419,346.88	419,346.88
8/1/2018	10,415.77	2.000%	698.91	11,114.68		408,931.11	408,931.11
9/1/2018	10,433.13	2.000%	681.55	11,114.68		398,497.99	398,497.99
10/1/2018	10,450.52	2.000%	664.16	11,114.68		388,047.47	388,047.47
11/1/2018	10,467.93	2.000%	646.76	11,114.68		377,579.53	377,579.53
12/1/2018	10,485.38	2.000%	629.30	11,114.68		367,094.15	367,094.15
1/1/2019	10,502.86	2.000%	611.82	11,114.68		356,591.30	356,591.30
2/1/2019	10,520.36	2.000%	594.32	11,114.68		346,070.94	346,070.94
3/1/2019	10,537.90	2.000%	576.78	11,114.68		335,533.04	335,533.04
4/1/2019	10,555.46	2.000%	559.22	11,114.68		324,977.58	324,977.58
5/1/2019	10,573.05	2.000%	541.63	11,114.68		314,404.53	314,404.53
6/1/2019	10,590.67	2.000%	524.01	11,114.68		303,813.86	303,813.86
6/30/2019					133,376.16	303,813.86	303,813.86
7/1/2019	10,608.32	2.000%	506.36	11,114.68		293,205.53	293,205.53
8/1/2019	10,626.00	2.000%	488.68	11,114.68		282,579.53	282,579.53
9/1/2019	10,643.71	2.000%	470.97	11,114.68		271,935.82	271,935.82
10/1/2019	10,661.45	2.000%	453.23	11,114.68		261,274.36	261,274.36
11/1/2019	10,679.22	2.000%	435.46	11,114.68		250,595.14	250,595.14
12/1/2019	10,697.02	2.000%	417.66	11,114.68		239,898.12	239,898.12
1/1/2020	10,714.85	2.000%	399.83	11,114.68		229,183.27	229,183.27
2/1/2020	10,732.71	2.000%	381.97	11,114.68		218,450.56	218,450.56
3/1/2020	10,750.60	2.000%	364.08	11,114.68		207,699.96	207,699.96
4/1/2020	10,768.51	2.000%	346.17	11,114.68		196,931.45	196,931.45
5/1/2020	10,786.46	2.000%	328.22	11,114.68		186,144.99	186,144.99
6/1/2020	10,804.44	2.000%	310.24	11,114.68		175,340.55	175,340.55
6/30/2020					133,376.16	175,340.55	175,340.55
7/1/2020	10,822.45	2.000%	292.23	11,114.68		164,518.10	164,518.10
8/1/2020	10,840.48	2.000%	274.20	11,114.68		153,677.62	153,677.62
9/1/2020	10,858.55	2.000%	256.13	11,114.68		142,819.07	142,819.07
10/1/2020	10,876.65	2.000%	238.03	11,114.68		131,942.42	131,942.42
11/1/2020	10,894.78	2.000%	219.90	11,114.68		121,047.65	121,047.65
12/1/2020	10,912.93	2.000%	201.75	11,114.68		110,134.71	110,134.71
1/1/2021	10,931.12	2.000%	183.56	11,114.68		99,203.59	99,203.59
2/1/2021	10,949.34	2.000%	165.34	11,114.68		88,254.25	88,254.25

3/1/2021	10,967.59	2.000%	147.09	11,114.68	77,286.66	77,286.66
4/1/2021	10,985.87	2.000%	128.81	11,114.68	66,300.79	66,300.79

SPECIMEN

Bond Debt Service
City of Oak Hill, WV Customer # 9948000609
Revenue Bond(Sewer Revenue Bond) Contract No. 00009

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
5/1/2021	11,004.18	2.000%	110.50	11,114.68		55,296.61	55,296.61
6/1/2021	11,022.52	2.000%	92.16	11,114.68		44,274.09	44,274.09
6/30/2021					133,376.16	44,274.09	44,274.09
7/1/2021	11,040.89	2.000%	73.79	11,114.68		33,233.20	33,233.20
8/1/2021	11,059.29	2.000%	55.39	11,114.68		22,173.91	22,173.91
9/1/2021	11,077.72	2.000%	36.96	11,114.68		11,096.19	11,096.19
10/1/2021	11,096.19	2.000%	18.49	11,114.68			
6/30/2022					44,458.72		
	512,000.00		21,504.65	533,504.65	533,504.65		

SPECIMEN

EXHIBIT B
RECORD OF ADVANCES

	<u>Amount</u>	<u>Date</u>	<u>Amount</u>	<u>Date</u>
(1)	\$512,000.00	September 20, 2017	(7)	\$
(2)	\$		(8)	\$
(3)	\$		(9)	\$
(4)	\$		(10)	\$
(5)	\$		(11)	\$
(6)	\$		(12)	\$

SPECIMEN

Total \$512,000.00

ASSIGNMENT

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

Dated: _____, 20_____.

SPECIMEN

In the presence of:

101 South Queen Street
Martinsburg, West Virginia 25401

7000 Hampton Center
Morgantown, West Virginia 26505

501 Avery Street
Parkersburg, West Virginia 26101



600 Quarrier Street
Charleston, West Virginia 25301

Post Office Box 1386
Charleston, West Virginia 25325-1386
(304) 347-1100

www.bowlesrice.com

Southpointe Town Center
1800 Main Street, Suite 200
Canonsburg, Pennsylvania 15317

1217 Chapline Street
Wheeling, West Virginia 26003

480 West Jubal Early Drive, Suite 130
Winchester, Virginia 22601

September 20, 2017

City of Oak Hill
Oak Hill City Hall
100 Kelly Avenue
Oak Hill, West Virginia 25901

Branch Banking and Trust Company
5130 Parkway Plaza Blvd.
Charlotte, North Carolina 28217

Re: \$512,000 City of Oak Hill Sewer Revenue Bonds, Series 2017 C
(Arbuckle Public Service Issuer)

Ladies and Gentlemen:

We have examined a record of the proceedings relating to the issuance of the Sewer Revenue Bonds, Series 2017 C (Arbuckle Public Service Issuer) of the City of Oak Hill, West Virginia (the "Issuer"), in the principal amount of \$512,000 dated on the date hereof, bearing interest from the date of delivery (the "Series 2017 C Bonds"). The Series 2017 C Bonds bear interest at the rate of 2.00% per annum and are represented by a single bond numbered CR-1.

The Series 2017 C Bonds have been authorized by a Bond Ordinance duly enacted by the Council of the Issuer on August 21, 2017, and put into effect following a public hearing held on September 11, 2017, as supplemented and amended by a Supplemental Resolution adopted on September 11, 2017 and the Certificate of Determinations executed in connection therewith on September 20, 2017 (collectively, the "Bond Ordinance").

The Bond Ordinance and the Series 2017 C Bonds provide that the issue is for the purpose of financing the acquisition of certain assets of Arbuckle Public Service District as additions to the existing public sewerage facilities of the City of Oak Hill and paying costs of issuing the Series 2017 Bonds (the "Acquired Assets").

The Series 2017 C Bonds have been awarded to Branch Banking and Trust Company at par. The Series 2017 C Bonds will rank on parity as to liens and source of and security for payment which are the First Lien Bonds described in the Ordinance and senior and prior to the Second Lien Bonds described in the Ordinance.

September 20, 2017

Page 2

It is our opinion that:

1. The Issuer is a duly organized and presently existing municipal corporation and political subdivision of the State of West Virginia with full power and authority to acquire the Acquired Assets, to operate and maintain the sewer system of the Issuer (the "System") and issue and sell the Series 2017 C Bonds, all under the provisions of Chapter 16, Article 13, of the Code of West Virginia, 1931, as amended, (the "Act") and other applicable provisions of law.

2. The Issuer has legally and effectively enacted and adopted the Bond Ordinance in connection with the Series 2017 C Bonds and has sold and delivered the Series 2017 C Bonds to Branch Banking and Trust Company.

3. The Series 2017 C Bonds constitute valid and legally enforceable special obligations of the Issuer secured by and payable solely from a lien on and pledge of the net revenues of the System on parity with the lien of the First Lien Bonds and senior and prior to the Second Lien Bonds, all in accordance with the terms of the Series 2017 C Bonds and the Bond Ordinance.

4. Under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, interest on the Series 2017 C Bonds is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations, although we observe that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Series 2017 C Bond for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Series 2017 C Bonds set forth in the Bond Ordinance, and in certain certificates delivered in connection with the issuance of the Series 2017 C Bonds. Failure to comply with such Code provisions or such representations, covenants and certifications could cause the interest on the Series 2017 C Bonds to be includable in a holder's gross income retroactive to the date of issuance of the Series 2017 C Bonds. Except as described herein, we express no opinion regarding other state or federal tax consequences arising with respect to the Series 2017 C Bonds other than as expressly set forth in paragraphs 5 and 6 below.

5. The Issuer has designated the Series 2017 C Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code and has covenanted that it does not reasonably expect to issue, together with subordinate entities, more than \$10,000,000 of tax-exempt obligations (other than obligations excluded under Section 265(b)(3)(C)(ii) of the Code) during the calendar year 2017. Therefore, the Series 2017 C Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Code.

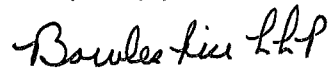
September 20, 2017

Page 3

6. The Series 2017 C Bonds and the interest thereon are, pursuant to the Act, exempt from taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

It is to be understood that the rights of the holders of the Series 2017 C Bonds and the enforceability of the Series 2017 C Bonds, the Bond Ordinance and liens and pledges set forth therein subject to and may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights (to the extent constitutionally applicable) and that the enforcement thereof may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,



BOWLES RICE LLP

101 South Queen Street
Martinsburg, West Virginia 25401

7000 Hampton Center
Morgantown, West Virginia 26505

501 Avery Street
Parkersburg, West Virginia 26101



600 Quarrier Street
Charleston, West Virginia 25301

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Charleston, West Virginia 25325-1386
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Southpointe Town Center
1800 Main Street, Suite 200
Canonsburg, Pennsylvania 15317

1217 Chapline Street
Wheeling, West Virginia 26003

480 West Jubal Early Drive, Suite 130
Winchester, Virginia 22601

September 20, 2017

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

West Virginia Department of
Environmental Protection
601 57th Street, S.E.
Charleston, West Virginia 25304

West Virginia Infrastructure and
Jobs Development Council
1009 Bullitt Street
Charleston, West Virginia 25301

Re: \$512,000 City of Oak Hill Sewer Revenue Bonds, Series 2017 C
(Arbuckle Public Service District)

Ladies and Gentlemen:

We have delivered our bond counsel opinion of even date herewith, a copy of which is attached. You may rely upon this opinion as if specifically addressed to you.

Very truly yours,

BOWLES RICE LLP

101 South Queen Street
Martinsburg, West Virginia 25401

7000 Hampton Center
Morgantown, West Virginia 26505

501 Avery Street
Parkersburg, West Virginia 26101



600 Quarrier Street
Charleston, West Virginia 25301

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1217 Chapline Street
Wheeling, West Virginia 26003

480 West Jubal Early Drive, Suite 130
Winchester, Virginia 22601

September 20, 2017

City of Oak Hill
Oak Hill City Hall
100 Kelly Avenue
Oak Hill, West Virginia 25901

Branch Banking and Trust Company
5130 Parkway Plaza Blvd.
Charlotte, North Carolina 28217

Re: \$512,000 City of Oak Hill Sewer Revenue Bonds, Series 2017 C
(Arbuckle Public Service District)

Ladies and Gentlemen:

We are counsel to the City of Oak Hill, a municipal corporation and political subdivision of the State of West Virginia, in Fayette County, West Virginia (the "Issuer"). As such counsel, we have examined (i) the Bond Ordinance duly enacted by the Council of the Issuer on August 21, 2017, and put into effect following a public hearing held on September 11, 2017, as supplemented and amended by a Supplemental Resolution adopted on September 11, 2017 and the Certificate of Determinations executed in connection therewith on September 20, 2017 authorizing the issuance of the 2017 C Bonds (collectively, the "Ordinance"); and (ii) other documents, papers, agreements, instruments and certificates relating to the above-captioned bonds of the Issuer (the "Bonds"), and orders of the County Commission of Wood County relating to the Issuer and the appointment of members of the Public Service Board of the Issuer. All capitalized terms used herein and not defined herein shall have the same meanings set forth in the Ordinance when used herein.

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

1. The Issuer is a municipal corporation and political subdivision of the State of West Virginia, in Fayette County, West Virginia.
2. The Mayor, City Manager, City Clerk and members of the Council of the Issuer have been duly, lawfully and properly appointed and elected, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

September 20, 2017

Page 2

3. To the best of our knowledge, the execution and delivery of the Bonds and the consummation of the transactions contemplated by the Bonds and 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 order, resolution, agreement, document or instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, rule, order or decree to which the Issuer is subject.

4. The Issuer has received, or there have been entered, all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the creation and existence of the Issuer, the issuance of the Bonds, the acquisition of the Acquired Assets, the operation of the System and the imposition of rates and charges, including, without limitation, all requisite orders, consents, certificates and approvals from the Public Service Commission of West Virginia, and the Issuer has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance prescribing such rates and charges.

5. To the best of our knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Bonds, the Resolution, the acquisition of the Acquired Assets, the operation of the System, the validity of the Bonds, the collection of the Gross Revenues or the pledge of the Net Revenues for the payment of the Bonds.

The Bonds are being issued for the City to acquire the sanitary sewer system of the Arbuckle Public Service District ("District") which system is sometimes referred to as the Acquired Assets in this opinion. The City is aware that an engineering firm, Triad, Inc. ("Triad"), has rendered an invoice to the District for work on an unrelated project in the amount of \$422,000.00, which the District has refused to pay on the basis that conditions precedent to the District's obligation to make payment for services under the terms of its engineering services agreement have not been satisfied. Triad has not initiated civil litigation against the District or any other entity concerning its unpaid invoice.

The invoice pertains to engineering work performed regarding a proposed project which had as one of its principal objectives to correct inflow and infiltration ("I & I") on the District's collection system. The City has already made application for funding for a similar project to correct I & I for the same segment of collection system. The City has received a letter from the U.S. Department of Agriculture, Rural Utility Services ("USDA RUS"), stating USDA RUS' willingness to provide funds to the City up to \$235,800 for the purpose of the City purchasing Triad's work product. The City is also pursuing \$30,200 in grant funding from the West Virginia Infrastructure and Jobs Development Council ("IJDC") to be used to purchase Triad's work product. The City expects the IJDC to take final action on its \$30,200 grant application at its October 4, 2017 meeting. If the IJDC approves the grant request, the City expects that Triad will release and waive all claims concerning its engineering agreement with the District. If the IJDC does not approve the grant request, Triad may pursue civil litigation or other remedies against the District, and in such litigation it is expected that Triad would attempt to make the City a party to such litigation.

September 20, 2017

Page 3

Bowles Rice has reviewed the District's engineering agreement with Triad, and the actions and communications concerning that engineering agreement. Bowles Rice believes that in the event Triad elects to pursue civil litigation concerning the engineering agreement, that the District and the City would be in a strong position to prevail in such litigation, however, a judgment in favor of Triad cannot be precluded.

Very truly yours,



BOWLES RICE LLP

\$512,000
CITY OF OAK HILL
SEWER REVENUE BONDS,
SERIES 2017 C (ARBUCKLE PUBLIC SERVICE DISTRICT)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. Award of Series 2017 C Bonds
2. No Litigation
3. Governmental Approvals
4. No Adverse Financial Change; Indebtedness
5. Signatures, etc.
6. Certification of Copies of Documents
7. Incumbency and Official Name
8. Delivery and Payment
9. Land and Rights of Way
10. Meetings, etc.

We, the undersigned City Manager and City Clerk of the City of Oak Hill, West Virginia (the "Issuer"), and the undersigned Counsel for the Issuer, hereby certify in connection with the City of Oak Hill Sewer Revenue Bonds, Series 2017 C (Arbuckle Public Service District), dated on the date hereof, in the principal amount of \$512,000, bearing interest at the rate of Two Percent (2.0%) per annum (the "Series 2017 C Bonds"), as follows:

1. Award of Series 2017 C Bonds: The entire issue of the Series 2017 C Bonds has been duly awarded to Branch Banking and Trust Company pursuant to the letter from Branch Banking and Trust Company to the Issuer dated August 30, 2017.

2. No Litigation: No controversy or litigation of any nature is now pending restraining, enjoining or affecting in any manner the issuance and delivery of the Series 2017 C Bonds, nor questioning the proceedings and authority by which the Issuer authorized the issuance and sale of the Series 2017 C Bonds, nor in any manner affecting the validity or enforceability of the Series 2017 C Bonds or any provisions made or authorized for the payment thereof; nor questioning the existence of the Issuer or the title of the officers of the Issuer thereof to their respective offices; nor questioning the acquisition of certain assets of Arbuckle Public Service District as additions to the existing public sewerage facilities of the Issuer (the "Acquired Assets"), the acquisition of which is being financed out of the proceeds of the sale of the Series 2017 C Bonds; nor questioning the rates and charges for the services of the sewer system of the Issuer (the "System").

The Series 2017 C Bonds are being issued for the Issuer to acquire the sanitary sewer system of the Arbuckle PSD ("PSD"). The Issuer is aware that an engineering firm, Triad, Inc. ("Triad"), has rendered an invoice to the PSD for work on an unrelated project in the amount

of \$422,000.00, which the PSD has refused to pay on the basis that conditions precedent to the PSD's obligation to make payment for services under the terms of its engineering services agreement have not been satisfied. Triad has not initiated civil litigation against the PSD or any other entity concerning its unpaid invoice.

The invoice pertains to engineering work performed regarding a proposed project which had as one of its principal objectives to correct inflow and infiltration ("I & I") on the PSD's collection system. The Issuer has already made application for funding for a similar project to correct I & I for the same segment of collection system. The Issuer has received a letter from the U.S. Department of Agriculture, Rural Utility Services ("USDA RUS"), stating USDA RUS' willingness to provide funds to the Issuer up to \$235,800 for the purpose of the Issuer purchasing Triad's work product. The Issuer is also pursuing \$30,200 in grant funding from the West Virginia Infrastructure and Jobs Development Council ("IJDC") to be used to purchase Triad's work product. The Issuer expects the IJDC to take final action on its \$30,200 grant application at its October 4, 2017 meeting. If the IJDC approves the grant request, the Issuer expects that Triad will release and waive all claims concerning its engineering agreement with the PSD. If the IJDC does not approve the grant request, Triad may pursue civil litigation or other remedies against the PSD, and in such litigation it is expected that Triad would attempt to make the Issuer a party to such litigation.

Bowles Rice has reviewed the PSD's engineering agreement with Triad, and the actions and communications concerning that engineering agreement. Bowles Rice believes that in the event Triad elects to pursue civil litigation concerning the engineering agreement, that the PSD and the Issuer would be in a strong position to prevail in such litigation, however, a judgment in favor of Triad cannot be precluded.

3. Governmental Approvals: All applicable approvals and certificates required by law for acquisition of the Acquired Assets and operation of the System have been duly and timely obtained and remain in full force and effect.

4. No Adverse Financial Change; Indebtedness: There has been no adverse financial change in the financial condition of the Issuer since the issuance of the letter dated August 30, 2017, from Branch Banking and Trust Company relating to the loan to the Issuer to assist in the acquisition of the Acquired Assets, which loan is to be evidenced by the Series 2017 C Bonds.

The only obligations of the Issuer which will rank on parity with the Series 2017 C Bonds as to liens and source of and security for payment are the First Lien Bonds described in the Bond Ordinance duly enacted by the Council of the Issuer on August 21, 2017, and put into effect following a public hearing held on September 11, 2017, as supplemented and amended by a Supplemental Resolution adopted on September 11, 2017 and the Certificate of Determinations executed in connection therewith on September 20, 2017, authorizing the issuance of the Series 2017 C Bonds (collectively, the "Ordinance"). The Series 2017 C Bonds will be senior and prior to the Second Lien Bonds described in said Ordinance.

The Issuer is not in default in any of the terms contained in the above described First Lien Bonds and Second Lien Bonds nor the ordinances authorizing them.

The Series 2017 C Bonds will be issued on parity with the First Lien Bonds described above and senior and prior to the Second Lien Bonds as to liens and source of and security for payment

5. Signatures, etc.: The undersigned City Manager and City Clerk, together with the Mayor of the Issuer, for the Issuer on the date hereof, officially executed and sealed the Series 2017 C Bond with the official corporate seal of the Issuer, an impression of which seal is on this certificate next to our signatures below and the Mayor, City Manager and City Clerk are the duly elected, qualified and serving officials, Mayor, City Manager and City Clerk, respectively, of the Issuer, and are duly authorized to execute and seal the Series 2017 C Bonds for the Issuer.

6. Certification of Copies of Documents: The copies of the documents listed below, attached hereto or delivered herewith or heretofore 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 or amended or changed in any way unless modification appears from later documents also listed below:

Bond Ordinance enacted on August 21, 2017, and put into effect following a public hearing held on September 11, 2017 adopted by the Issuer on September 11, 2017 authorizing the issuance of the Series 2017 C Bonds for the purposes of (i) permanently financing the costs of the acquisition of the Acquired Assets; and (ii) paying costs of issuance of the Series 2017 C Bonds.

Supplemental Resolution adopted on September 11, 2017.

Minutes on adoption of the Bond Ordinance and Supplemental Resolution.

Charter.

Oaths of Office.

7. Incumbency and Official Name: The proper corporate title of the Issuer is "City of Oak Hill." The Issuer is a municipal corporation in Fayette County, West Virginia, and is presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Issuer is its Council consisting of a Mayor and seven (7) members of Council all duly elected or appointed, as applicable, qualified and acting, whose names, offices and dates of commencement and termination of current terms of office are as follows:

<u>Name</u>	<u>Office</u>	<u>Date of Commencement of Office</u>	<u>Date of Termination of Office</u>
Fred W. Dickinson	Mayor	July 1, 2015	June 30, 2017
Thomas M. Oxley	Council Member	July 1, 2015	June 30, 2017
Diana L. Janney	Council Member	July 1, 2015	June 30, 2017
Mike Fox	Council Member	July 1, 2015	June 30, 2017
Melissa Wilshire	Council Member	July 1, 2015	June 30, 2017
Jeff Atha	Council Member	July 1, 2015	June 30, 2017
Paul Baker	Council Member	July 1, 2015	June 30, 2017
Bruce Coleman	Council Member	July 1, 2015	June 30, 2017

The duly appointed City Manager is William C. Hannabass and the duly appointed City Clerk-Treasurer is Damita Johnson.

The members of the Oak Hill Sanitary Board are as follows:

William C. Hannabass, Chairman
Larry Dotson, Member
Barney Stinnet, Member

All of the foregoing officers took, subscribed to and filed their oaths of office in accordance with law prior to entering upon their official duties; all of those required to give bonds or undertakings filed such bonds or undertakings at the place and in the manner required by law; all of them have otherwise duly qualified for office and were or are the acting officers for their respective periods above stated; and no proceedings for the removal from office of any such officer have been taken or are pending or threatened.

The duly appointed Counsel for the Issuer is Bowles Rice LLP.

8. Delivery and Payment: On the date hereof, Series 2017 C Bond No. CR-1 was delivered to Branch Banking and Trust Company, and at the time of such delivery, the Series 2017 C Bond No. CR-1 had been duly and fully executed and sealed on behalf of the Issuer in accordance with the Bond Ordinance. At the time of delivery of the Series 2017 C Bond No. CR-1, the amount of \$512,000 was received by the Issuer from the proceeds of the Series 2017 C Bonds, which proceeds have been disbursed to the Bowles Rice LLP Client Trust Account for immediate payment of the costs of acquiring the Acquired Assets and paying costs of issuing the Series 2017 C Bonds.

9. Land and Rights of Way: All land in fee simple and all rights of way and easements necessary for the construction, 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 the undersigned, within the ability of the Issuer to pay for the same without jeopardizing the security of or payments on the Series 2017 C Bonds.

10. 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 operation and financing of the System and the acquisition of the Acquired Assets were authorized or adopted at meetings of the Council duly and regularly called and held pursuant to all applicable statutes, and a quorum of duly elected, qualified and acting members of the Council of the Issuer was present and acting at all times during all such meetings.

[Rest of page intentionally left blank]

WITNESS our signatures and the official corporate seal of CITY OF OAK HILL
on the 20th day of September, 2017.

[SEAL]

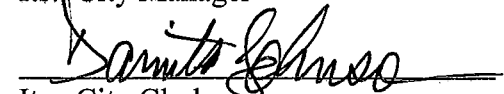
CITY OF OAK HILL

By:

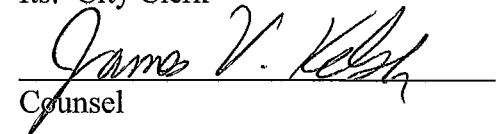


Its: City Manager

By:



Its: City Clerk



Counsel

\$512,000
CITY OF OAK HILL
SEWER REVENUE BONDS,
SERIES 2017 C (ARBUCKLE PUBLIC SERVICE DISTRICT)

CERTIFICATE AS TO CERTAIN TAX MATTERS

The undersigned City Manager of the City of Oak Hill, in Fayette County, West Virginia (the “Issuer”), being one of the officials of the Issuer duly charged with the responsibility for the issuance of \$512,000 aggregate principal amount of Sewer Revenue Bond, Series 2017 C (Arbuckle Public Service District) Series 2017 C of the Issuer, dated September 20, 2017(the “Bonds”), hereby certifies as follows:

1. This certificate is being executed and delivered pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (the “Code”). I am one of the officers of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified (including the certifications of Branch Banking and Trust Company (the “Bank”) attached hereto and made a part hereof as Exhibit A, on which the Issuer has relied) and am duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined have the meanings as set forth in the a Bond Ordinance duly enacted by the Council of the Issuer on August 21, 2017, and put into effect following a public hearing held on September 11, 2017, as supplemented and amended by a Supplemental Resolution adopted on September 11, 2017 and the Certificate of Determinations executed in connection therewith on September 20, 2017 (collectively, the “Bond Ordinance”), authorizing the Bonds.
2. This certificate may be relied upon as the certificate of the Issuer.
3. The Issuer has not been notified by the Internal Revenue Service of any listing or proposed listing of it as an issuer the certification of which may not be relied upon by holders of obligations of the Issuer or that there is any disqualification of the Issuer by the Internal Revenue Service because a certification made by the Issuer contains a material misrepresentation.
4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on September 20, 2017, the date on which the Bonds are to be physically delivered in exchange for the purchase price of the Bonds in the amount of \$512,000, being the par amount of the Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.
5. In the Bond Ordinance pursuant to which the Bonds are issued, the Issuer has covenanted that it will take all actions that may be required of it (including, without implied

limitation, the timely filing of a federal information return with respect to the Bonds) so that the interest on the Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

6. The Bonds were sold on September 20, 2017 to the Bank for an aggregate purchase price of \$512,000 (100% of par), there being no accrued interest paid thereon. The Issuer has received such purchase price from the Bank in the amount of \$512,000, which sum has been disbursed to the Client Trust Account of Bowles Rice LLP to be disbursed immediately to pay the costs of the acquisition of certain assets of Arbuckle Public Service District as additions to the existing public sewerage facilities of the Issuer (the "Acquired Assets") and to pay costs of issuing the Bonds. Since such funds are being disbursed immediately they will not be invested pending disbursement.

7. The Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) permanently financing the acquisition of the Acquired Assets; and (ii) paying costs of issuance of the Bonds.

8. The Issuer shall, within 30 days following delivery of the Bonds, enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the acquisition of the Acquired assets, constituting a substantial binding commitment. The acquisition of the Acquired assets will proceed with due diligence to completion, and all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of acquiring the Acquired Assets and paying issuance costs on or before November 1, 2017, except as otherwise required for rebate to the United States under Section 148(f) of the Code. Acquisition of the Acquired assets is expected to be completed by September 20, 2017.

9. The total cost of acquiring the Acquired Assets and cost of issuance of the Bonds are estimated at \$512,000. Sources and uses of funds therefor are as follows:

SOURCES

Gross Proceeds of Bonds	<u>\$512,000.00</u>
Total Sources	\$512,000.00

USES

Costs of acquiring the Acquired Assets	\$489,808.97
Costs of Issuance of the Bonds	<u>22,191.03</u>
Total Uses	\$512,000.00

The cost of acquiring the Acquired Assets is estimated to be at least equal to the gross proceeds of the Bonds after payment of the issuance costs. Except for the proceeds of the Bonds, no other funds of the Issuer will be available to meet costs of acquiring the Acquired Assets, and no balances are available to meet such costs in any account which may, without

legislative or judicial action, be invaded to pay such expenditures without a legislative, judicial or contractual requirement that such account be reimbursed.

10. Payments on the Bonds will be paid monthly by the Issuer to the West Virginia Municipal Bond Commission (the "WVMBC") which will in turn pay the Bank or other holder of the Bonds on the first day of the following month and applied upon receipt by the Bank or other holder of the Bonds to the interest on and principal of the Bonds. While on deposit with the WVMBC, the funds will be deposited in a sinking fund for the Bonds and invested without yield limitation.

11. Except for the sinking fund described in paragraph 10 above and the reserve fund described in this paragraph 11, there are no funds or accounts established or held by the Issuer which are reasonably expected to be used to pay debt service on the Bonds or which are pledged as collateral for the Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Bonds if the Issuer encounters financial difficulties. The Issuer does not expect that moneys in the Rebate Fund created by the Bond Ordinance will be used or needed for payments upon the Bonds and, because such amounts may be expended for other purposes, there is no reasonable assurance that such amounts would be available to meet debt service if the Issuer encounters financial difficulties; thus, such amounts may be invested without yield limitation. Except as provided herein, no funds which have been or will be used to acquire directly or indirectly securities, obligations, annuity contracts, investment-type property or any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved desegregation plan producing a yield in excess of the yield on the Bonds, have been or will be pledged to payment of the Bonds. Payments in the amount of \$1,111.47 will be deposited in a debt service reserve fund established with the WVMBC each month by the Issuer commencing November 1, 2017, until the amount on deposit in such debt service reserve fund equals the maximum amount of principal and interest that will come due on the Bonds in the then concurrent or any subsequent year (the "Debt Service Reserve Fund Requirement"). The Debt Service Reserve Fund Requirement means, as of any date of calculation, the least of (i) 10% of the proceeds and stated principal amount of the Bonds; (ii) the maximum annual principal and income requirements of the Bonds; or (ii) 125% of the average annual principal and income requirements of the Bonds. The Debt Service Reserve Fund will be invested without yield limitation.

12. The Issuer will comply with the provisions of the Code, for which the effective date precedes the date of delivery of its Bonds to the Bank.

13. All of the proceeds of the Bonds will be expended within three (3) months from the date of issuance thereof.

14. Except for the sinking fund described in 10 above, there will be no separate sinking fund established for the Bonds and the payments thereon will be made as provided in 10 above.

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

16. All property financed with the proceeds of the Bonds will be held for federal income tax purposes by (or on behalf of) a qualified governmental unit.

17. The Issuer shall file Form 8038-G in a timely fashion with the Internal Revenue Service Center, Ogden, Utah 84201.

18. No more than 5% of the proceeds of the Bonds will be used (directly or indirectly) in any trade or business carried on by, and less than the lesser of 5% of the proceeds of Bonds or \$5,000,000 have been or will be used to make or finance loans to, any person who is not a governmental unit.

19. The original proceeds of the Bonds will not exceed the amount necessary for the purposes of the issue, except to the extent any such proceeds are required for rebate to the United States.

20. The Issuer shall use the Bond proceeds solely for the payment of the costs of acquiring the Acquired Assets and costs of issuing the Bonds, and the System, including the Acquired Assets, will be operated solely for a public purpose as a local governmental activity of the Issuer.

21. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from treatment afforded by Section 103(a) of the Code by reason of classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code and the Treasury Regulations promulgated or to be promulgated thereunder in order to ensure the interest on the Bonds is excludable from gross income for federal income tax purposes. The City Manager of the Issuer shall periodically, at least once each calendar year, monitor the use of the sewer system financed with proceeds of the Bonds to ensure that there is no private business use of the sewer system that would cause the Bonds to be classified as "private activity bonds" within the meaning of the Code. To the extent that the City Manager discovers, or the Issuer otherwise becomes aware, that any applicable tax restrictions regarding use of proceeds of the Bonds and and/or any property financed with proceeds of the Bonds will or may be violated, the City Manager shall consult promptly with bond counsel and other legal counsel and advisers to determine a course of action to remediate all nonqualified Bonds within the time required by the Code and the regulations promulgated thereunder, if such counsel advises that remedial action is necessary.

22. 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.

23. The Issuer will rebate to the United States the amount, if any, required by the Code and to take all steps necessary to make such rebates. 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.

24. The Issuer will take all steps necessary to amend the Bond Ordinance if such amendment is necessary to assure compliance with Section 148(f) of the Code or as may otherwise be necessary to assure the exclusion of interest on the Bonds from the gross income of the holders thereof.

25. The Issuer shall comply with the yield restriction on Bond proceeds as set forth in the Code.

26. The Issuer expects that no part of the System financed by the Bonds will be sold or otherwise disposed of prior to the last maturity date of the Bonds.

27. The Issuer covenants and agrees to comply with the rebate requirements of the Code if not exempted therefrom, and with all other requirements of the Code necessary, proper or desirable to maintain the tax-exempt status of the Bonds and the interest thereon. In addition, the Issuer has covenanted to comply with all regulations promulgated under the Code (the "Regulations") from time to time in effect and applicable to the Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and has covenanted to take such actions, 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 the Local Act. The Issuer has further covenanted to pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor.

28. The Bonds are a fixed yield issue. No interest or other amount payable on any of the Bonds (other than in the event of an unanticipated contingency) is determined by reference to (or by reference to an index that reflects) market interest rate or stock or commodity prices after the date of issuance.

29. None of the Bonds has a yield-to-maturity more than one-fourth of one percent higher than the yield on the Bond determined by assuming the Bond is retired on the date that when used in computing the yield on the Bond produces the lowest yield.

30. No portion of the proceeds of the Bonds will be used, directly or indirectly, to replace funds which were used, directly or indirectly, to acquire higher yielding instruments, all within the meaning of Section 148 of the Code.

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

32. The Issuer will expend the gross proceeds of the Bonds for acquiring the Acquired Assets no later than the day which is six months after the date of issuance of the Bonds.

33. The transaction contemplated herein does not represent an exploitation of the difference between taxable and tax-exempt interest rates and the execution and delivery of the Bonds is not occurring sooner than otherwise necessary, nor are the Bonds in principal amounts greater than otherwise necessary or to be outstanding longer than otherwise necessary.

34. On the basis of the foregoing, it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

35. The Bonds are registered, initially in the name of Branch Banking and Trust Company, as original purchaser of the Bonds, within the meaning of Section 149(a) of the Code.

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

37. Bowles Rice LLP is entitled to rely upon the representations, expectations, covenants, certifications and statements contained herein in rendering its opinions regarding the exclusion from gross income for federal income tax purposes of interest on the Bonds.

IN WITNESS WHEREOF, I have set my hand this 20th day of September, 2017.

CITY OF OAK HILL

By: 
City Manager

EXHIBIT A

CERTIFICATE OF ORIGINAL PURCHASER

September 20, 2017

Re: \$512,000 City of Oak Hill Sewer Revenue Bonds, Series 2017 C
(Arbuckle Public Service District)

We have purchased the entire issue of \$512,000 in aggregate principal amount of the City of Oak Hill Sewer Revenue Bonds, Series 2017 C (Arbuckle Public Service District) dated September 20, 2017 (the "Bonds"). We have purchased the Bonds at par for \$512,000, there being no interest accrued thereon.

Considering all the facts and circumstances of this transaction, we are of the opinion that:

1. The initial purchase price of the Bonds is reasonable under customary standards applicable to the tax-exempt market.

2. The Bonds bear interest at a fixed rate of 2.0% per annum, as further provided in the Bonds.

Very truly yours,

BRANCH BANKING AND TRUST COMPANY

By: Russell R. Ober
Its: Vice President



**CITY OF OAK HILL
SEWER REVENUE BONDS**

**SERIES 2017 C
(ARBUCKLE PUBLIC SERVICE DISTRICT)**

CERTIFICATE OF ACCOUNTANT

September 20, 2017

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

City of Oak Hill
100 Kelly Avenue
Oak Hill, West Virginia 25901

West Virginia Department of
Environmental Protection
601 57th Street, S. E.
Charleston, West Virginia 25304

Bowles Rice LLP
600 Quarrier Street
Charleston, West Virginia 25301

West Virginia Infrastructure and
Jobs Development Council
1009 Bullitt Street
Charleston, West Virginia

Branch Banking and Trust Company
352 State Route 34
Hurricane, West Virginia 25526

Ladies and Gentlemen:

Based upon the rates and charges set forth in the rate ordinance of the City of Oak Hill (the "Issuer") finally enacted on May 23, 2016, and effective July 8, 2016 (the "Rate Ordinance"), and projected operation and maintenance expenses and anticipated customer usage as furnished to us by the Issuer, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the sewerage system (the "System") of the Issuer, will provide for all reasonable expenses of operation, repair and maintenance of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Issuer's proposed Sewer Revenue Bonds, Series 2017 C (Arbuckle Public Service District) proposed to be issued to Branch Banking and Trust Company in an aggregate principal amount not to exceed \$525,000 (the "Series 2017 C Bonds"), and all other obligations secured by a lien on or payable from the revenues of the System, including the Issuer's (i) Sewer Revenue Bonds, Series 1988 A, dated August 25, 1988 (the "Series 1988 A Bonds"); (ii) Sewer Revenue Bonds, Series 1991A, dated March 18, 1991 (the "Series 1991A Bonds"); (iii) Sewer Revenue Bonds, Series 1996 A (West Virginia SRF Program), dated August 20, 1996 (the "Series 1996 A Bonds"); (iv) Sewer Revenue Bonds, Series 1988 B, dated August 25, 1988 (the "Series 1988 B Bonds"); and (v) Sewer Revenue Bonds, Series 1991B, dated March 28, 1991 (the "Series 1991B Bonds" and together with the Series 1988 A Bonds, the Series 1991A Bonds, the Series 1996 A Bonds and the Series 1988 B

Michael D. Griffith, CPA, AFI
mgriffith@gcorp.wv.com

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

Bonds, the "Oak Hill Prior Bonds") and the Issuer's proposed Sewer Revenue Bonds, Subseries 2017 A-1 (West Virginia SRF Program) proposed to be issued to the West Virginia Water Development Authority in an aggregate principal amount not to exceed \$13,792,000 (the "Subseries 2017 A-1 Bonds"), the Issuer's proposed Sewer Revenue Bonds, Subseries 2017 A-2 (West Virginia SRF Program) proposed to be issued to the West Virginia Water Development Authority in an aggregate principal amount not to exceed \$208,000 (the "Subseries 2017 A-2 Bonds") and the Issuer's proposed Sewer Revenue Bonds, Series 2017 B (West Virginia Infrastructure Fund) proposed to be issued to the West Virginia Water Development Authority in an aggregate principal amount not to exceed \$8,365,211 (the "Series 2017 B Bonds" and together with the Subseries 2017 A-1 Bonds and the Subseries 2017 A-2 Bonds, the "Series 2017 A and B Bonds"), and together with the Oak Hill Prior Bonds, the "Prior Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in the Bond Ordinance to be enacted by the Issuer in connection with the issuance of the Series 2017 C Bonds.

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

The Net Revenues referenced above in the immediately preceding paragraph have been adjusted by adding to such Net Revenues the additional Net Revenues which, in our opinion, would have been received during the 12 consecutive months within the 18 months immediately preceding the actual date of issuance of the Series 2017 C Bonds on account of the increased rates and charges for the System approved by the Rate Ordinance if said rates had been in effect during the entirety of the said 12 consecutive month period.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael D. Griffith", written in a cursive style.

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

MDG/dk

RECEIVED**SEP 20 2017****MBG****WEST VIRGINIA MUNICIPAL BOND COMMISSION
NEW ISSUE REPORT FORM**900 Pennsylvania Avenue
Suite 1117, Charleston, WV 25302
(304) 558-3971

Fax: (304) 558-1280

Date of Report: September 20, 2017ISSUE: City of Oak Hill Sewer Revenue Bonds, Series 2017 C
(Arbuckle Public Service District)ADDRESS: 100 Kelly Avenue, Oak Hill, WV 25901COUNTY: FayettePURPOSE OF ISSUE: New Money X
Refunding ISSUE DATE September 20, 2017Refunds issue(s) dated: CLOSING DATE: September 20, 2017ISSUE AMOUNT: \$512,000RATE: 2.00%1st DEBT SERVICE DUE: November 1, 20171st PRINCIPAL DUE: November 1, 20171st DEBT SERVICE AMOUNT: \$ 11,114.68PAYING AGENT: Municipal Bond CommissionBOND COUNSEL: Bowles Rice LLPContact Person: Camden P. SiegristPhone: (304) 347-1129UNDERWRITER'S COUNSEL: Contact Person: Phone: CLOSING BANK: Branch Banking and Trust CompanyContact Person: Rusty Akers, Vice PresidentPhone: (304) 353-1635ESCROW TRUSTEE: Contact Person: Phone:

KNOWLEDGEABLE ISSUE CONTACT:

Contact Person: Damita JohnsonPosition: City Clerk-TreasurerPhone: (304) 469-9541Email: cityoh@suddenlinkmail.comOTHER: Contact Person: Position: Phone:

DEPOSITS TO MBC AT CLOSE

By: Wire
 Check
 In-house Transfer Accrued Interest: \$ Capitalized Interest: Reserve Account: \$ Other:

REFUNDS & TRANSFERS BY MBC AT CLOSE:

By: Wire
 Check
 IGT To Escrow Trustee: \$ To Issuer: \$ To Cons. Invest. Fund \$ To \$ NOTES: The Series 2017 C Bonds Reserve Account will be funded over a period of ten (10) years in
monthly installments commencing October 1, 2017

FOR MUNICIPAL BOND COMMISSION USE ONLY:

Documents Required: Transfers Required:

Bond Debt Service
City of Oak Hill, WV Customer # [REDACTED]
Revenue Bond(Sewer Revenue Bond) Contract No. 00009
Dated Date 9/20/2017
Delivery
Date 9/20/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
9/20/2017						512,000.00	512,000.00
11/1/2017	9,948.46	2.000%	1,166.22	11,114.68		502,051.54	502,051.54
12/1/2017	10,277.93	2.000%	836.75	11,114.68		491,773.61	491,773.61
1/1/2018	10,295.06	2.000%	819.62	11,114.68		481,478.56	481,478.56
2/1/2018	10,312.22	2.000%	802.46	11,114.68		471,166.34	471,166.34
3/1/2018	10,329.40	2.000%	785.28	11,114.68		460,836.94	460,836.94
4/1/2018	10,346.62	2.000%	768.06	11,114.68		450,490.32	450,490.32
5/1/2018	10,363.86	2.000%	750.82	11,114.68		440,126.46	440,126.46
6/1/2018	10,381.14	2.000%	733.54	11,114.68		429,745.32	429,745.32
7/1/2018	10,398.44	2.000%	716.24	11,114.68		419,346.88	419,346.88
8/1/2018	10,415.77	2.000%	698.91	11,114.68		408,931.11	408,931.11
9/1/2018	10,433.13	2.000%	681.55	11,114.68		398,497.99	398,497.99
10/1/2018	10,450.52	2.000%	664.16	11,114.68		388,047.47	388,047.47
11/1/2018	10,467.93	2.000%	646.75	11,114.68		377,579.53	377,579.53
12/1/2018	10,485.38	2.000%	629.30	11,114.68		367,094.15	367,094.15
1/1/2019	10,502.86	2.000%	611.82	11,114.68		356,591.30	356,591.30
2/1/2019	10,520.36	2.000%	594.32	11,114.68		346,070.94	346,070.94
3/1/2019	10,537.90	2.000%	576.78	11,114.68		335,533.04	335,533.04
4/1/2019	10,555.46	2.000%	559.22	11,114.68		324,977.58	324,977.58
5/1/2019	10,573.05	2.000%	541.63	11,114.68		314,404.53	314,404.53
6/1/2019	10,590.67	2.000%	524.01	11,114.68		303,813.86	303,813.86
7/1/2019	10,608.32	2.000%	506.36	11,114.68		293,205.53	293,205.53
8/1/2019	10,626.00	2.000%	488.68	11,114.68		282,579.53	282,579.53
9/1/2019	10,643.71	2.000%	470.97	11,114.68		271,935.82	271,935.82
10/1/2019	10,661.45	2.000%	453.23	11,114.68		261,274.36	261,274.36
11/1/2019	10,679.22	2.000%	435.46	11,114.68		250,595.14	250,595.14
12/1/2019	10,697.02	2.000%	417.66	11,114.68		239,898.12	239,898.12
1/1/2020	10,714.85	2.000%	399.83	11,114.68		229,183.27	229,183.27
2/1/2020	10,732.71	2.000%	381.97	11,114.68		218,450.56	218,450.56
3/1/2020	10,750.60	2.000%	364.08	11,114.68		207,699.96	207,699.96
4/1/2020	10,768.51	2.000%	346.17	11,114.68		196,931.45	196,931.45
5/1/2020	10,786.46	2.000%	328.22	11,114.68		186,144.99	186,144.99
6/1/2020	10,804.44	2.000%	310.24	11,114.68		175,340.55	175,340.55
7/1/2020	10,822.45	2.000%	292.23	11,114.68		164,518.10	164,518.10
8/1/2020	10,840.48	2.000%	274.20	11,114.68		153,677.62	153,677.62
9/1/2020	10,858.55	2.000%	256.13	11,114.68		142,819.07	142,819.07
10/1/2020	10,876.65	2.000%	238.03	11,114.68		131,942.42	131,942.42
11/1/2020	10,894.78	2.000%	219.90	11,114.68		121,047.65	121,047.65
12/1/2020	10,912.93	2.000%	201.75	11,114.68		110,134.71	110,134.71
1/1/2021	10,931.12	2.000%	183.56	11,114.68		99,203.59	99,203.59
2/1/2021	10,949.34	2.000%	165.34	11,114.68		88,254.25	88,254.25
3/1/2021	10,967.59	2.000%	147.09	11,114.68		77,286.66	77,286.66
4/1/2021	10,985.87	2.000%	128.81	11,114.68		66,300.79	66,300.79
5/1/2021	11,004.18	2.000%	110.50	11,114.68		55,296.61	55,296.61

6/1/2021	11,022.52	2.000%	92.16	11,114.68	44,274.09	44,274.09
7/1/2021	11,040.89	2.000%	73.79	11,114.68	33,233.20	33,233.20
8/1/2021	11,059.29	2.000%	55.39	11,114.68	22,173.91	22,173.91
9/1/2021	11,077.72	2.000%	36.96	11,114.68	11,096.19	11,096.19
10/1/2021	11,096.19	2.000%	18.49	11,114.68		
	512,000.00		21,504.65	533,504.65	533,504.65	



WEST VIRGINIA
Water Development Authority

Celebrating 43 Years of Service 1974 - 2017

CITY OF OAK HILL

**SEWER REVENUE BONDS, SUBSERIES 2017 A-1
(WEST VIRGINIA SRF PROGRAM)**

**SEWER REVENUE BONDS, SUBSERIES 2017 A-2
(WEST VIRGINIA SRF PROGRAM)**

**SEWER REVENUE BONDS, SERIES 2017 B
(WEST VIRGINIA INFRASTRUCTURE FUND)**

**SEWER REVENUE BONDS, SERIES 2017 C
(ARBUCKLE PUBLIC SERVICE DISTRICT)**

**CONSENT OF HOLDERS OF PRIOR BONDS
TO ISSUANCE OF PARITY BONDS**

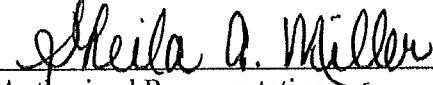
TO WHOM IT MAY CONCERN:

In reliance upon the certificate of Griffith & Associates, PLLC., the independent certified public accountant, and the opinion of Bowles Rice LLP, Bond Counsel, that the applicable coverage and parity tests have been met on behalf of the City of Oak Hill (the "Issuer"), the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for the Authority, as the registered owner of the Issuer's Sewer Revenue Bonds, Series 1988 A, dated August 25, 1988, issued in the original aggregate principal amount of \$1,764,285; Sewer Revenue Bonds, Series 1991A, dated March 28, 1991, issued in the original aggregate principal amount of \$1,817,920; and Sewer Revenue Bonds, Series 1996 A (West Virginia SRF Program), dated August 20, 1996, issued in the original principal amount of \$1,000,000 (collectively, the "First Lien Bonds") and the Issuer's Sewer Revenue Bonds, Series 1988 B, dated August 25, 1988, issued in the original aggregate principal amount of \$441,071 and Sewer Revenue Bonds, Series 1991B, dated March 28, 1991, issued in the original aggregate principal amount of \$82,080 (collectively, the "Second Lien Bonds"), hereby consents to the issuance of the Issuer's Sewer Revenue Bonds, Subseries 2017 A-1 (West Virginia SRF Program), dated September 21, 2017, in an aggregate principal amount not to exceed \$13,792,000; Sewer Revenue Bonds, Subseries 2017 A-2 (West Virginia SRF Program), dated September 21, 2017, in an aggregate principal amount not to exceed \$208,000; Sewer Revenue Bonds, Series 2017 B (West Virginia Infrastructure Fund), dated September 21, 2017, in an aggregate principal amount not to exceed \$8,365,211, and Sewer Revenue Bonds, Series 2017 C (Arbuckle Public Service District), dated September 21, 2017, in an aggregate principal amount not to exceed \$525,000 on a parity with respect to liens, pledges and sources of and security for payment with the First Lien Bonds and senior with respect to liens, pledges and sources of and security for payment with the Second Lien Bonds.

1009 Bullitt Street, Charleston, WV 25301
Phone (304) 414-6500 / fax (304) 414-0865
www.wvwda.org

Dated this 20th day of September, 2017.

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY


Authorized Representative

352 State Route 34
Hurricane, WV 25526
(304) 353-1635
Fax (304) 757-2768

August 30, 2017

Damita Johnson
Treasurer
City of Oak Hill
PO Box 1245
Oak Hill, WV 25901

Dear Ms. Johnson:

Branch Banking and Trust Company ("BB&T") is pleased to offer this proposal for the financing requested by the City of Oak Hill, West Virginia ("City").

- (1) **Project:** Sewer Revenue Bond, Series 2017C
- (2) **Amount To Be Financed:** up to \$600,000.00
- (3) **Interest Rates, Financing Terms and Corresponding Payments:**

Term	Rate
a. 4 years	2.00%
b. 5 years	2.10%
c. 6 years	2.18%

Payments shall be monthly in arrears, as requested. See the attached amortization schedule(s) for information on payments.

The interest rates stated above are valid for a closing not later than October 13, 2017. Closing of the financing is contingent upon completing documentation acceptable to BB&T and upon the condition of the property being acceptable to BB&T. All the proceeds shall be disbursed at closing. BB&T shall not be required to surrender the bond in order to receive debt service payments prior to maturity. BB&T shall make up to four disbursements of the proceeds on behalf of the City at closing.

The cost of lender counsel shall be paid on BB&T's behalf by the City. All applicable taxes, permits, costs of lawyers for the City and any other costs shall be the City's responsibility and separately payable by the City. The financing documents shall allow prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.

The stated interest rates assume that the City expects to borrow less than \$10,000,000 in calendar year 2017 and that the City shall comply with IRS Code Sections 141, 148 and 149. BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not qualified tax-exempt financing for the purpose of IRS Code Section 265(b)(3).

(4) Financing Documents:

It shall be the responsibility of the City to retain and compensate counsel to appropriately structure the documentation for the sewer revenue bond according to Federal and West Virginia statutes. BB&T shall also require the City to provide an unqualified bond counsel opinion. BB&T reserves the right to review the bond which must be mutually accepted by BB&T and the City.

(5) Security:

The sewer revenue bond will be secured by a parity lien on the sewer revenues of the system for all current outstanding bonds and other indebtedness of the system. The City shall maintain rates such that the level of debt service ratio is always 1.10 times or higher during the term.

* * * * *

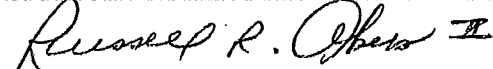
BB&T appreciates the opportunity to make this financing proposal and requests to be notified within five days of this proposal should BB&T be the successful proposer.

BB&T shall have the right to cancel this offer by notifying the City of its election to do so (whether or not this offer has previously been accepted by the City) if at any time prior to the closing there is a material adverse change in the City's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the City or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T. We reserve the right to negotiate and/or terminate our interest in this transaction should we be the successful proposer.

Please call me at (304) 353-1635 with your questions and comments. We look forward to hearing from you.

Sincerely,

BRANCH BANKING AND TRUST COMPANY



Russell R. Akers, II
Vice President

Enclosure

Oak Hill, WV (DRAFT)
Sewer Revenue Bond, 2017C
4 Years

Compound Period : Monthly

Nominal Annual Rate : 2.000 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	08/30/2017	600,000.00	1		
2 Payment	09/30/2017	13,017.80	48	Monthly	08/31/2021

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	08/30/2017				600,000.00
1	09/30/2017	13,017.80	1,033.39	11,984.41	588,015.59
2	10/31/2017	13,017.80	980.03	12,037.77	575,977.82
3	11/30/2017	13,017.80	959.96	12,057.84	563,919.98
4	12/31/2017	13,017.80	939.87	12,077.93	551,842.05
2017 Totals		52,071.20	3,913.25	48,157.95	
5	01/31/2018	13,017.80	919.74	12,098.06	539,743.99
6	02/28/2018	13,017.80	899.57	12,118.23	527,625.76
7	03/31/2018	13,017.80	879.38	12,138.42	515,487.34
8	04/30/2018	13,017.80	859.15	12,158.65	503,328.69
9	05/31/2018	13,017.80	838.88	12,178.92	491,149.77
10	06/30/2018	13,017.80	818.58	12,199.22	478,950.55
11	07/31/2018	13,017.80	798.25	12,219.55	466,731.00
12	08/31/2018	13,017.80	777.89	12,239.91	454,491.09
13	09/30/2018	13,017.80	757.49	12,260.31	442,230.78
14	10/31/2018	13,017.80	737.05	12,280.75	429,950.03
15	11/30/2018	13,017.80	716.58	12,301.22	417,648.81
16	12/31/2018	13,017.80	696.08	12,321.72	405,327.09
2018 Totals		156,213.60	9,698.64	146,514.96	
17	01/31/2019	13,017.80	675.55	12,342.25	392,984.84
18	02/28/2019	13,017.80	654.97	12,362.83	380,622.01
19	03/31/2019	13,017.80	634.37	12,383.43	368,238.58
20	04/30/2019	13,017.80	613.73	12,404.07	355,834.51
21	05/31/2019	13,017.80	593.06	12,424.74	343,409.77
22	06/30/2019	13,017.80	572.35	12,445.45	330,964.32
23	07/31/2019	13,017.80	551.61	12,466.19	318,498.13
24	08/31/2019	13,017.80	530.83	12,486.97	306,011.16
25	09/30/2019	13,017.80	510.02	12,507.78	293,503.38
26	10/31/2019	13,017.80	489.17	12,528.63	280,974.75
27	11/30/2019	13,017.80	468.29	12,549.51	268,425.24
28	12/31/2019	13,017.80	447.38	12,570.42	255,854.82
2019 Totals		156,213.60	6,741.33	149,472.27	

Oak Hill, WV (DRAFT)
 Sewer Revenue Bond, 2017C
 4 Years

	Date	Payment	Interest	Principal	Balance
29	01/31/2020	13,017.80	426.42	12,591.38	243,263.44
30	02/29/2020	13,017.80	405.44	12,612.36	230,651.08
31	03/31/2020	13,017.80	384.42	12,633.38	218,017.70
32	04/30/2020	13,017.80	363.36	12,654.44	205,363.26
33	05/31/2020	13,017.80	342.27	12,675.53	192,687.73
34	06/30/2020	13,017.80	321.15	12,696.65	179,991.08
35	07/31/2020	13,017.80	299.99	12,717.81	167,273.27
36	08/31/2020	13,017.80	278.79	12,739.01	154,534.26
37	09/30/2020	13,017.80	257.56	12,760.24	141,774.02
38	10/31/2020	13,017.80	236.29	12,781.51	128,992.51
39	11/30/2020	13,017.80	214.99	12,802.81	116,189.70
40	12/31/2020	13,017.80	193.65	12,824.15	103,365.55
2020 Totals		156,213.60	3,724.33	152,489.27	
41	01/31/2021	13,017.80	172.28	12,845.52	90,520.03
42	02/28/2021	13,017.80	150.87	12,866.93	77,653.10
43	03/31/2021	13,017.80	129.42	12,888.38	64,764.72
44	04/30/2021	13,017.80	107.94	12,909.86	51,854.86
45	05/31/2021	13,017.80	86.42	12,931.38	38,923.48
46	06/30/2021	13,017.80	64.87	12,952.93	25,970.55
47	07/31/2021	13,017.80	43.28	12,974.52	12,996.03
48	08/31/2021	13,017.80	21.77	12,996.03	0.00
2021 Totals		104,142.40	776.85	103,365.55	
Grand Totals		624,854.40	24,854.40	600,000.00	

Oak Hill, WV (DRAFT)
Sewer Revenue Bond, 2017C
5 Years

Compound Period : Monthly

Nominal Annual Rate : 2.100 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	08/30/2017	600,000.00	1		
2 Payment	09/30/2017	10,543.54	60	Monthly	08/31/2022

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	08/30/2017				600,000.00
1	09/30/2017	10,543.54	1,085.06	9,458.48	590,541.52
2	10/31/2017	10,543.54	1,033.45	9,510.09	581,031.43
3	11/30/2017	10,543.54	1,016.81	9,526.73	571,504.70
4	12/31/2017	10,543.54	1,000.13	9,543.41	561,961.29
2017 Totals		42,174.16	4,135.45	38,038.71	
5	01/31/2018	10,543.54	983.43	9,560.11	552,401.18
6	02/28/2018	10,543.54	966.70	9,576.84	542,824.34
7	03/31/2018	10,543.54	949.94	9,593.60	533,230.74
8	04/30/2018	10,543.54	933.15	9,610.39	523,620.35
9	05/31/2018	10,543.54	916.34	9,627.20	513,993.15
10	06/30/2018	10,543.54	899.49	9,644.05	504,349.10
11	07/31/2018	10,543.54	882.61	9,660.93	494,688.17
12	08/31/2018	10,543.54	865.70	9,677.84	485,010.33
13	09/30/2018	10,543.54	848.77	9,694.77	475,315.56
14	10/31/2018	10,543.54	831.80	9,711.74	465,603.82
15	11/30/2018	10,543.54	814.81	9,728.73	455,875.09
16	12/31/2018	10,543.54	797.78	9,745.76	446,129.33
2018 Totals		126,522.48	10,690.52	115,831.96	
17	01/31/2019	10,543.54	780.73	9,762.81	436,366.52
18	02/28/2019	10,543.54	763.64	9,779.90	426,586.62
19	03/31/2019	10,543.54	746.53	9,797.01	416,789.61
20	04/30/2019	10,543.54	729.38	9,814.16	406,975.45
21	05/31/2019	10,543.54	712.21	9,831.33	397,144.12
22	06/30/2019	10,543.54	695.00	9,848.54	387,295.58
23	07/31/2019	10,543.54	677.77	9,865.77	377,429.81
24	08/31/2019	10,543.54	660.50	9,883.04	367,546.77
25	09/30/2019	10,543.54	643.21	9,900.33	357,646.44
26	10/31/2019	10,543.54	625.88	9,917.66	347,728.78
27	11/30/2019	10,543.54	608.53	9,935.01	337,793.77
28	12/31/2019	10,543.54	591.14	9,952.40	327,841.37
2019 Totals		126,522.48	8,234.52	118,287.96	

Oak Hill, WV (DRAFT)
 Sewer Revenue Bond, 2017C
 5 Years

	Date	Payment	Interest	Principal	Balance
	29 01/31/2020	10,543.54	573.72	9,969.82	317,871.55
	30 02/29/2020	10,543.54	556.28	9,987.26	307,884.29
	31 03/31/2020	10,543.54	538.80	10,004.74	297,879.55
	32 04/30/2020	10,543.54	521.29	10,022.25	287,857.30
	33 05/31/2020	10,543.54	503.75	10,039.79	277,817.51
	34 06/30/2020	10,543.54	486.18	10,057.36	267,760.15
	35 07/31/2020	10,543.54	468.58	10,074.96	257,685.19
	36 08/31/2020	10,543.54	450.95	10,092.59	247,592.60
	37 09/30/2020	10,543.54	433.29	10,110.25	237,482.35
	38 10/31/2020	10,543.54	415.59	10,127.95	227,354.40
	39 11/30/2020	10,543.54	397.87	10,145.67	217,208.73
	40 12/31/2020	10,543.54	380.12	10,163.42	207,045.31
	2020 Totals	126,522.48	5,726.42	120,796.06	
	41 01/31/2021	10,543.54	362.33	10,181.21	196,864.10
	42 02/28/2021	10,543.54	344.51	10,199.03	186,665.07
	43 03/31/2021	10,543.54	326.66	10,216.88	176,448.19
	44 04/30/2021	10,543.54	308.78	10,234.76	166,213.43
	45 05/31/2021	10,543.54	290.87	10,252.67	155,960.76
	46 06/30/2021	10,543.54	272.93	10,270.61	145,690.15
	47 07/31/2021	10,543.54	254.96	10,288.58	135,401.57
	48 08/31/2021	10,543.54	236.95	10,306.59	125,094.98
	49 09/30/2021	10,543.54	218.92	10,324.62	114,770.36
	50 10/31/2021	10,543.54	200.85	10,342.69	104,427.67
	51 11/30/2021	10,543.54	182.75	10,360.79	94,066.88
	52 12/31/2021	10,543.54	164.62	10,378.92	83,687.96
	2021 Totals	126,522.48	3,165.13	123,357.35	
	53 01/31/2022	10,543.54	146.45	10,397.09	73,290.87
	54 02/28/2022	10,543.54	128.26	10,415.28	62,875.59
	55 03/31/2022	10,543.54	110.03	10,433.51	52,442.08
	56 04/30/2022	10,543.54	91.77	10,451.77	41,990.31
	57 05/31/2022	10,543.54	73.48	10,470.06	31,520.25
	58 06/30/2022	10,543.54	55.16	10,488.38	21,031.87
	59 07/31/2022	10,543.54	36.81	10,506.73	10,525.14
	60 08/31/2022	10,543.54	18.40	10,525.14	0.00
	2022 Totals	84,348.32	660.36	83,687.96	
	Grand Totals	632,612.40	32,612.40	600,000.00	

Oak Hill, WV (DRAFT)
Sewer Revenue Bond, 2017C
6 Years

Compound Period : Monthly

Nominal Annual Rate : 2.180 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	08/30/2017	600,000.00	1		
2 Payment	09/30/2017	8,898.31	72	Monthly	08/31/2023

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	08/30/2017				600,000.00
1	09/30/2017	8,898.31	1,126.40	7,771.91	592,228.09
2	10/31/2017	8,898.31	1,075.88	7,822.43	584,405.66
3	11/30/2017	8,898.31	1,061.67	7,836.64	576,569.02
4	12/31/2017	8,898.31	1,047.43	7,850.88	568,718.14
2017 Totals		35,593.24	4,311.38	31,281.86	
5	01/31/2018	8,898.31	1,033.17	7,865.14	560,853.00
6	02/28/2018	8,898.31	1,018.88	7,879.43	552,973.57
7	03/31/2018	8,898.31	1,004.57	7,893.74	545,079.83
8	04/30/2018	8,898.31	990.23	7,908.08	537,171.75
9	05/31/2018	8,898.31	975.86	7,922.45	529,249.30
10	06/30/2018	8,898.31	961.47	7,936.84	521,312.46
11	07/31/2018	8,898.31	947.05	7,951.26	513,361.20
12	08/31/2018	8,898.31	932.61	7,965.70	505,395.50
13	09/30/2018	8,898.31	918.14	7,980.17	497,415.33
14	10/31/2018	8,898.31	903.64	7,994.67	489,420.66
15	11/30/2018	8,898.31	889.11	8,009.20	481,411.46
16	12/31/2018	8,898.31	874.56	8,023.75	473,387.71
2018 Totals		106,779.72	11,449.29	95,330.43	
17	01/31/2019	8,898.31	859.99	8,038.32	465,349.39
18	02/28/2019	8,898.31	845.38	8,052.93	457,296.46
19	03/31/2019	8,898.31	830.76	8,067.55	449,228.91
20	04/30/2019	8,898.31	816.10	8,082.21	441,146.70
21	05/31/2019	8,898.31	801.42	8,096.89	433,049.81
22	06/30/2019	8,898.31	786.71	8,111.60	424,938.21
23	07/31/2019	8,898.31	771.97	8,126.34	416,811.87
24	08/31/2019	8,898.31	757.21	8,141.10	408,670.77
25	09/30/2019	8,898.31	742.42	8,155.89	400,514.88
26	10/31/2019	8,898.31	727.60	8,170.71	392,344.17
27	11/30/2019	8,898.31	712.76	8,185.55	384,158.62
28	12/31/2019	8,898.31	697.89	8,200.42	375,958.20
2019 Totals		106,779.72	9,350.21	97,429.51	

Oak Hill, WV (DRAFT)
Sewer Revenue Bond, 2017C
6 Years

	Date	Payment	Interest	Principal	Balance
	29 01/31/2020	8,898.31	682.99	8,215.32	367,742.88
	30 02/29/2020	8,898.31	668.07	8,230.24	359,512.64
	31 03/31/2020	8,898.31	653.11	8,245.20	351,267.44
	32 04/30/2020	8,898.31	638.14	8,260.17	343,007.27
	33 05/31/2020	8,898.31	623.13	8,275.18	334,732.09
	34 06/30/2020	8,898.31	608.10	8,290.21	326,441.88
	35 07/31/2020	8,898.31	593.04	8,305.27	318,136.61
	36 08/31/2020	8,898.31	577.95	8,320.36	309,816.25
	37 09/30/2020	8,898.31	562.83	8,335.48	301,480.77
	38 10/31/2020	8,898.31	547.69	8,350.62	293,130.15
	39 11/30/2020	8,898.31	532.52	8,365.79	284,764.36
	40 12/31/2020	8,898.31	517.32	8,380.99	276,383.37
2020 Totals		106,779.72	7,204.89	99,574.83	
	41 01/31/2021	8,898.31	502.10	8,396.21	267,987.16
	42 02/28/2021	8,898.31	486.84	8,411.47	259,575.69
	43 03/31/2021	8,898.31	471.56	8,426.75	251,148.94
	44 04/30/2021	8,898.31	456.25	8,442.06	242,706.88
	45 05/31/2021	8,898.31	440.92	8,457.39	234,249.49
	46 06/30/2021	8,898.31	425.55	8,472.76	225,776.73
	47 07/31/2021	8,898.31	410.16	8,488.15	217,288.58
	48 08/31/2021	8,898.31	394.74	8,503.57	208,785.01
	49 09/30/2021	8,898.31	379.29	8,519.02	200,265.99
	50 10/31/2021	8,898.31	363.82	8,534.49	191,731.50
	51 11/30/2021	8,898.31	348.31	8,550.00	183,181.50
	52 12/31/2021	8,898.31	332.78	8,565.53	174,615.97
2021 Totals		106,779.72	5,012.32	101,767.40	
	53 01/31/2022	8,898.31	317.22	8,581.09	166,034.88
	54 02/28/2022	8,898.31	301.63	8,596.68	157,438.20
	55 03/31/2022	8,898.31	286.01	8,612.30	148,825.90
	56 04/30/2022	8,898.31	270.37	8,627.94	140,197.96
	57 05/31/2022	8,898.31	254.69	8,643.62	131,554.34
	58 06/30/2022	8,898.31	238.99	8,659.32	122,895.02
	59 07/31/2022	8,898.31	223.26	8,675.05	114,219.97
	60 08/31/2022	8,898.31	207.50	8,690.81	105,529.16
	61 09/30/2022	8,898.31	191.71	8,706.60	96,822.56
	62 10/31/2022	8,898.31	175.89	8,722.42	88,100.14
	63 11/30/2022	8,898.31	160.05	8,738.26	79,361.88
	64 12/31/2022	8,898.31	144.17	8,754.14	70,607.74
2022 Totals		106,779.72	2,771.49	104,008.23	
	65 01/31/2023	8,898.31	128.27	8,770.04	61,837.70
	66 02/28/2023	8,898.31	112.34	8,785.97	53,051.73
	67 03/31/2023	8,898.31	96.38	8,801.93	44,249.80
	68 04/30/2023	8,898.31	80.39	8,817.92	35,431.88
	69 05/31/2023	8,898.31	64.37	8,833.94	26,597.94

Oak Hill, WV (DRAFT)
Sewer Revenue Bond, 2017C
6 Years

Date	Payment	Interest	Principal	Balance
70 06/30/2023	8,898.31	48.32	8,849.99	17,747.95
71 07/31/2023	8,898.31	32.24	8,866.07	8,881.88
72 08/31/2023	8,898.31	16.43	8,881.88	0.00
2023 Totals	71,186.48	578.74	70,607.74	
Grand Totals	640,678.32	40,678.32	600,000.00	

**CITY OF OAK HILL
SEWER REVENUE BONDS
SERIES 2017 C
(ARBUCKLE PUBLIC SERVICE DISTRICT)**

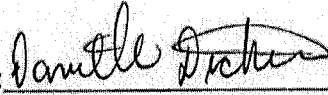
CERTIFICATE OF SATISFACTION AND PAYMENT

The undersigned duly authorized representative of the United States Department of Agriculture, Rural Development, Rural Utilities Service (the "Holder"), as holder of all of the Sewerage System Revenue Bond, Series 1978, dated March 15, 1981, issued in the original principal amount of \$1,132,000 ("Loan 92-02") and related Rescheduling Agreement effective September 5, 2012, rescheduling \$298,401.08 in connection with Loan 92-02 ("Loan 92-03" and together with the Loan 92-02, the "Bonds"), of Arbuckle Public Service District (the "Issuer"), hereby certifies as follows:

1. The Holder is the holder of the entire outstanding amounts of the Bonds.
2. On the date hereof, in connection with the acquisition of the sewer utility assets of the Issuer by the City of Oak Hill, there was paid to the Holder by the City of Oak Hill the amount of \$441,509.47 the receipt of which is hereby acknowledged, which is sufficient to satisfy the Bonds in full, including the interest thereon.
3. All liens, pledges and security securing any and all of the Bonds, including without limitation any lien on or pledge of the revenues, net revenues or assets of the sewer system of the Issuer and the covenants, agreements and obligations of the Issuer are satisfied and discharged. The Bonds will be marked "Paid in Full" and returned to the Issuer.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of September, 2017.

UNITED STATES DEPARTMENT OF
AGRICULTURE, RURAL
DEVELOPMENT,
RURAL UTILITIES SERVICE

By: 
Its: Loan Technician