THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013
(TAX EXEMPT)

BOND ORDINANCE
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THE CITY OF WHEELING, WEST VIRGINIA

AN ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE WATERWORKS PORTION OF THE EXISTING COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $49,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT); PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS RELATING TO THE BONDS; AND ENACTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

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

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

WHEREAS, under the provisions of Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), the Issuer is authorized and empowered to acquire, construct and operate extensions, additions, betterments and improvements to the waterworks portion of the System and all necessary appurtenances (collectively, the "Project") (the existing public combined waterworks and sewerage system and any future stormwater system of the Issuer incorporated therein, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System") in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer;

WHEREAS, the Issuer has determined, and does hereby affirm, that the acquisition and construction of the Project, is necessary, appropriate, useful and desirable for the health, safety, and welfare of the inhabitants of the City and surrounding areas;

WHEREAS, the Issuer has determined that the aforementioned Project should be financed, as provided under the Act, in whole or in part, from the proceeds of revenue bonds to be issued by the Issuer, to pay all or any portion of the costs thereof, and to enact this Ordinance and issue its Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax-Exempt) (the "Series 2013

Bonds"), such Series 2013 Bonds to be secured by and payable from the Gross Revenues of the System, and containing such other terms and provisions as are hereinafter provided, all in the manner set forth herein;

WHEREAS, the Issuer has determined and hereby determines that it is in the best interest of the residents of the City that its Series 2013 Bonds be sold to the Original Purchaser (as hereinafter defined) thereof pursuant to the terms and provisions of a bond purchase agreement, (the "Bond Purchase Agreement") between the Issuer and the Original Purchaser, hereinafter defined.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WHEELING HEREBY ORDAINS:

ARTICLE I

DEFINITIONS, STATUTORY AUTHORITY AND FINDINGS

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

"Act" means Chapter 8, Article 20 of the West Virginia Code of 1931, as amended and in effect on the Closing Date for the Series 2013 Bonds.

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

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

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

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

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

"Bond Insurer" means any entity which shall insure all or any portion of the payment of principal of and interest on the Bonds, and with respect to the Series 2013 Bonds shall initially mean the bond insurer or bond insurers, if any, named in the Supplemental Resolution.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the Issuer and the Original Purchaser relating to the sale and purchase of the Series 2013 Bonds.

"Bond Register" means the books of the Issuer maintained by the Registrar for the registration and transfer of the Series 2013 Bonds.

"Bond Year" means with respect to each series of the Series 2013 Bonds the 12 month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Bonds" means, collectively, the Series 2013 Bonds, the Prior Bonds and any additional parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

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

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 2013 Bonds in substantially the form set forth in EXHIBIT A – FORM OF SERIES 2013 BOND hereto.

"City" or "Issuer" means The City of Wheeling, a municipal corporation and political subdivision of the State of West Virginia, in Ohio County thereof, and, where appropriate, the Council, and any successor thereto.

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

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

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

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

"Code" shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, and Regulations thereunder and such guidance with respect thereto as may be issued by the Internal Revenue Service or Department of the Treasury from time to time.

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

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

"Continuing Disclosure Agreement" means the agreement delivered by the Issuer to disseminate annual financial information and material event disclosures as required by Rule 15c2-12.

"Costs" or similar terms means all those costs now or hereafter permitted by the Act to be financed with bonds issued pursuant hereto, including, without limitation those costs set forth in Section 1.02C.

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

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

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

"DTC-eligible" means, with respect to the Series 2013 Bonds, meeting the qualifications prescribed by DTC.

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

"FDIC" means the Federal Deposit Insurance Corporation or any successor to the functions of the FDIC.

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

"Governing Body" means the City Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the City Council, as it may now or hereafter be constituted.

"Government Obligations" shall have the meaning set forth in the Supplemental Resolution.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System and includes investment income, connection fees, disconnections fees, System use charges and fees, and all other items of income which have been established as reasonably anticipated annual income of the System, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts, and includes any proceeds from the sale or other disposition of capital assets, but does not include any increase in the value of capital assets (including Qualified Investments).

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

"Investment Property" means any security (as said term is defined in Section 165(g)(2)(A) or (B) of the Code), obligation, annuity contract, investment-type property or residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan, excluding, however, obligations the

interest on which is excluded from gross income, under Section 103 of the Code, for federal income tax purposes other than specified private activity bonds as defined in Section 57(a)(5)(C) of the Code.

"Maximum Annual Debt Service" means, at the time of computation, the greatest amount of Debt Service required to be paid on the Bonds for the then current or any succeeding Fiscal Year.

"Mayor" means the Mayor of the Issuer.

"Municipal Bond Insurance Policy" means the municipal bond insurance policy, if any, issued by the Bond Insurer simultaneously with the delivery of the Series 2013 Bonds insuring the timely payment of the principal of and interest on all or any of the Series 2013 Bonds in accordance with the terms thereof.

"Net Proceeds" means the face amount of the Series 2013 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, on such issue, and less proceeds deposited in the Series 2013 Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2013 Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

"Net Revenues" means Gross Revenues less Operating Expenses.

"Nonpurpose Investment" means any Investment Property which is acquired with the gross proceeds of the Series 2013 Bonds and is not acquired in order to carry out the governmental purpose of the Series 2013 Bonds.

"Official Statement" means a document or set of documents prepared by the Issuer setting forth, among other matters, information concerning the Issuer and the proposed issue of securities that is complete as of the date of delivery of the document or set of documents to the Original Purchaser.

"Operating Expenses" unless qualified, means the accrual basis expenses of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions, betterments or improvements for the System), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles.

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

"Original Purchaser" means the investment banking firm or firms, bank or banks or such other entity or entities as shall purchase the Series 2013 Bonds directly from the Issuer, as determined by the Supplemental Resolution.

"Outstanding" when used with reference to the Series 2013 Bonds or the Prior Bonds and as of any particular date, describes all Bonds theretofore and thereupon being issued and delivered except (a) any Bond or Prior Bond canceled by the registrar for such Bond or Prior Bonds at or prior to said date;

(b) any Bond or Prior Bonds for the payment of which monies, equal to its principal amount, with interest to the date of maturity, shall be held in trust under this Ordinance and set aside for such payment (whether upon or prior to maturity); (c) any Bond deemed to have been paid as provided by Section 9.01 hereof; and (d) with respect to determining the number or percentage of Bondholders or Bonds or Prior Bonds for the purpose of consents, notices and the like, any Bond registered to the Issuer. Notwithstanding the foregoing, in the event that a Bond Insurer has paid principal of and/or interest on any Bond or Prior Bond, such Bond or Prior Bond shall be deemed to be Outstanding until such time as such Bond Insurer has been reimbursed in full.

"Paying Agent" means, initially, the West Virginia Municipal Bond Commission and any other paying agent for the Series 2013 Bonds which may be appointed by a resolution supplemental hereto, all in accordance with Section 8.12 hereof.

"Prior Bonds" means, collectively, the Series 2005 A Bonds, Series 2006 A Bonds, and Series 2010 B Bonds.

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

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

"Project" means the acquisition and construction of certain additions, betterments and improvements to the System, including the acquisition of the rehabilitating and/or replacing low service pumps and other existing equipment associated with pretreatment processes, namely pre-sedimentation, aeration, flocculation and sedimentation; replacing the existing blower building and equipment; replacing existing chemical and storage systems associated with taste and odor control, coagulation, disinfection, lead and copper control and fluoridation; replacing existing rapid sand filters with new state-of-the art membrane filters and related chemical feed systems for maintenance; constructing a filtration and administration building to contain the membranes, new chemical feed systems, new laboratory and SCADA controls; replacing the existing clearwell with a new above-ground storage tank; and making various other improvements associated with repairs or upgrades to electrical systems, mechanical systems, architectural features, structural systems and safety aspects needed at the plant.

"Purchase Price" for the purpose of computation of the Yield of the Series 2013 Bonds, has the same meaning as the term "issue price" in Sections 1273(b) and 1274 of the Code, and, in general, means the initial offering price of the Series 2013 to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of the Bonds of each maturity is sold or, if the Series 2013 Bonds are privately placed, the price paid by the first buyer of the Series 2013 Bonds or the acquisition cost of the first buyer. "Purchase Price," for purposes of computing Yield of Nonpurpose Investments, means the fair market value of the Nonpurpose Investments on the date of use of Gross Proceeds of the Series 2013 Bonds for acquisition thereof, or if later, on the date that Investment Property constituting a Nonpurpose Investment becomes a Nonpurpose Investment of the Series 2013 Bonds.

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

"Record Date" means the date or dates which shall be so stated in the Series 2013 Bonds, regardless of whether such day is a Saturday, Sunday or legal holiday.

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

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

"Registrar" means the bank to be designated in the Supplemental Resolution as the Registrar for the Series 2013 Bonds, and any successor thereto appointed in accordance with Section 8.08 hereof.

"Regulations" means temporary and permanent regulations promulgated under the Code, and includes applicable regulations promulgated under the Internal Revenue Code of 1986 as amended.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created by the Prior Ordinances and continued hereby.

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

"Rule 15c2-12" means Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

"Series 2005 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000.

"Series 2006 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000.

"Series 2010 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2010 A, dated May 6, 2010, issued in the original aggregate principal amount of $4,455,000 which are expected to be defeased prior to the Closing of the Series 2013 Bonds.

"Series 2010 B Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000.

"Series 2013 Bonds Construction Fund" means the Series 2013 Bonds Construction Fund created by Section 4.01 hereof.

"Series 2013 Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt), of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 2013 Bonds Costs of Issuance Fund" means the Series 2013 Bonds Costs of Issuance Fund created by Section 4.01 hereof.

"Series 2013 Bonds Redemption Account" means the Redemption Account created by Section 4.02 hereof.

"Series 2013 Bonds Reserve Account" means the Series 2013 Bonds Reserve Account created in the Series 2013 Bonds Sinking Fund by Section 4.02 hereof.

"Series 2013 Bonds Reserve Account Requirement" means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2013 Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2013 Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2013 Bonds.

"Series 2013 Bonds Sinking Fund" means the Series 2013 Bonds Sinking Fund created by Section 4.02 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2013 Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any ordinance or resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution or Resolutions to be adopted by the Issuer following enactment of this Ordinance, setting forth the final amounts, maturities, interest rates, redemption provisions, Original Purchaser, approving a Bond Purchase Agreement and an Official Statement, Bond Insurer provisions (if any) and other terms of the Series 2013 Bonds and authorizing the sale of the Series 2013 Bonds to the Original Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Gross Revenues not required by the Ordinance to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, including, without limitation, the funds and accounts established for the Prior Bonds or the Series 2013 Bonds.

"System" means the complete existing combined municipal waterworks and sewerage system of the Issuer, as presently existing in its entirety or any integral part thereof and shall include, any stormwater system added to the System in the future, the Project and shall include any additions, betterments and improvements thereto hereafter acquired or constructed for said waterworks, sewage and/or stormwater systems from any sources whatsoever, both within and without the Issuer.

"Tax Certificate" means the Issuer's Tax Certificate dated as of the date of issuance of the Series 2013 Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

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

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

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

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

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

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

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

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

B. The Issuer presently owns and operates a public combined waterworks and sewerage system. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer, and for the improvement of the water environment of the Issuer, that there be acquired and constructed certain extensions, additions, betterments and improvements to the waterworks portion of the existing public combined waterworks and sewerage system of the Issuer, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. It is deemed necessary for the Issuer to issue its Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt), in the aggregate principal amount of not more than $49,500,000 to permanently finance the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2013 Bonds prior to and during acquisition or construction and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2013 Bonds Reserve Account; underwriter's discount, engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; premiums for Municipal Bond Insurance, reserve account insurance or reserve account surety bonds; letter of credit fees; discount; initial fees for the services of Registrars, Paying Agents, depositories or trustees or other costs in connection with the sale of the Series 2013 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; the acquisition and construction of the Project and the placing of same in operation; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2013 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

D. The period of usefulness of the System after completion of the Project is not less than 30 years.

E. It is in the best interests of the Issuer that the Series 2013 Bonds be sold to the Original Purchaser pursuant to the terms and provisions of the Bond Purchase Agreement, as shall be approved by the Supplemental Resolution of the Issuer.

F. The Issuer will have the following outstanding obligations which will rank on a parity with the Series 2013 Bonds as to liens, pledge, source of and security for payment, being the Issuer's: (i) Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000 (the "Series 2005 A Bonds"); (ii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000 (the "Series 2006 A Bonds"); and (iii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000 (the "Series 2010 B Bonds"), (collectively, the "Prior Bonds").

The Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2010 A, dated May 6, 2010, issued in the original aggregate principal amount of $4,455,000 are expected to be defeased prior to the Closing of the Series 2013 Bonds.

The Series 2013 Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all respects. Prior to the issuance of the Series 2013 Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met, and (ii) the written consent of the Holders of the Series 2005 A Bonds and the Series 2010 B Bonds to the issuance of the Series 2013 Bonds on a parity with the Prior Bonds. The Series 2006 A Bonds do not require consent. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with the covenants of the Prior Bonds and the Prior Ordinances.

G. The Issuer intends to issue the Series 2013 Bonds and to pledge for payment thereof, the Gross Revenues of the System, on a parity with each other and on a parity with such pledge in favor of the Holders of the Prior Bonds.

H. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient, to provide for the repair, maintenance and operation of the System, the payment of interest upon the Series 2013 Bonds, and the Prior Bonds and to create sinking funds, as hereinafter provided, to pay the principal on the Series 2013 Bonds and the Prior Bonds as and when it becomes due and reasonable reserves therefor, to provide an adequate Renewal and Replacement Fund, as hereinafter provided, and to make all other payments provided for in this Ordinance and the Prior Ordinances.

I. It is in the best interests of the Issuer, and the residents thereof, that the Issuer issue the Series 2013 Bonds, and secure the Series 2013 Bonds by a pledge and assignment of the Gross Revenues derived from the operation of the System, the monies in the Series 2013 Bonds Reserve Account, unexpended proceeds of the Series 2013 Bonds and as further set forth herein.

J. The Series 2013 Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the forms set forth in EXHIBIT A – FORM OF SERIES

2013 BOND attached hereto and incorporated herein by reference, with necessary and appropriate variations, omissions and insertions as permitted or required by this Ordinance or a Supplemental Resolution or as deemed necessary by the Registrar or the Issuer.

K. All things necessary to make the Series 2013 Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the Series 2013 Bonds, will be timely done and duly performed.

L. The enactment of this Ordinance, the execution and issuance of the Series 2013 Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

M. The Issuer has complied with all requirements of West Virginia law relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2013 Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the obtaining of a certificate of convenience and necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the date of issuance of the Series 2013 Bonds or such final order will not be subject to appeal or rehearing.

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the Series 2013 Bonds by those who shall own or hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Holders of any and all of such Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not more than $49,500,000. The proceeds of the Series 2013 Bonds hereby authorized shall be applied as provided herein.

The cost of the Project is estimated not to exceed $49,500,000 of which will be obtained from proceeds of the Series 2013 Bonds.

ARTICLE III

THE SERIES 2013 BONDS

Section 3.01. Form and Payment of Bonds. No Series 2013 Bond shall be issued pursuant to this Ordinance except as provided in this Article III. Any Series 2013 Bonds issued pursuant

to this Ordinance may be issued only as fully registered Series 2013 Bonds, in the denomination of $5,000 or any integral multiple thereof for any year of maturity. All Series 2013 Bonds shall be dated as of the date provided in a Supplemental Resolution applicable to such series. All Series 2013 Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2013 Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2013 Bonds shall be in default, Bonds issued in exchange for Series 2013 Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2013 Bonds surrendered.

The principal of and the premium, if any, on the Series 2013 Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Series 2013 Bonds shall be paid by check or draft made payable and mailed to the Holder thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of $1,000,000 or more of the Series 2013 Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

In the event any Series 2013 Bonds are redeemed in part, such bond shall be surrendered to and canceled by the Registrar, and the Issuer shall execute, and the Registrar shall authenticate and deliver to the Holder thereof, another Series 2013 Bond in the principal amount of said Series 2013 Bond then Outstanding.

Section 3.02. Execution of Bonds. The Series 2013 Bonds shall be executed in the name of the Issuer by the Mayor, by his manual or facsimile signature, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk by his or her manual or facsimile signature; provided, that, all such signatures and the seal may be by facsimile. In case any one or more of the officers who shall have signed or sealed any of the Series 2013 Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2013 Bonds shall be signed and sealed on behalf of the City by such person as at the actual time of the execution of such Bonds shall hold the proper office in the City, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Series 2013 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Ordinance unless and until the Certificate of Authentication and Registration on such Series 2013 Bond, substantially in the form set forth in EXHIBIT A – FORM OF SERIES 2013 BOND attached hereto and incorporated herein by reference with respect to the Series 2013 Bonds, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any such Series 2013 Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Ordinance. The Certificate of Authentication and Registration on any Series 2013 Bond shall be deemed to have been executed by the Registrar if signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Series 2013 Bonds issued hereunder.

Section 3.04. Negotiability and Registration. Subject to the requirements for transfer set forth below, the Series 2013 Bonds shall be, and have all of the qualities and incidents of, negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder, in accepting any of said Bonds, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Series 2013 Bonds remain Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Series 2013 Bonds. The Series 2013 Bonds shall be transferable only by transfer of registration upon the Bond Register by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or such duly authorized attorney or legal representative. Upon transfer of a Series 2013 Bond, there shall be issued at the option of the Holder or the transferee another Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond.

Upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar and duly executed by the registered owner or his attorney or legal representative duly authorized in writing, Series 2013 Bonds may at the option of the Holder thereof be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate, in any authorized denominations.

In all cases in which the privilege of transferring or exchanging a Series 2013 Bond is exercised, Bonds shall be delivered in accordance with the provisions of this Ordinance. All Series 2013 Bonds surrendered in any such transfer or exchange shall forthwith be canceled by the Registrar. Transfers of Series 2013 Bonds, the initial exchange of Bonds and exchanges of Bonds in the event of partial redemption of fully registered Bonds shall be made by the Registrar without charge to the Holder or the transferee thereof, except as provided below. For other exchanges of Series 2013 Bonds, the Registrar may impose a service charge. For every such transfer or exchange of Series 2013 Bonds, the Registrar may make a charge sufficient to reimburse its office for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such tax or governmental charge, and such service charge for exchange other than the initial exchange or in the event of partial redemption, shall be paid by the person requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Series 2013 Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2013 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may execute, in its discretion, and the Registrar shall authenticate, register and deliver any new Bond of like series, maturity and principal amount as the Bond, so mutilated, destroyed, stolen or lost, in exchange and upon surrender and cancellation of, such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing the Issuer and the Registrar proof of his ownership thereof and that said Bond has been destroyed, stolen or lost and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer or the Registrar may incur. The name of the Bondholder listed in the Bond Register shall constitute proof of ownership. All Series 2013 Bonds so surrendered shall be submitted to and canceled by the Registrar, and evidence of such cancellation shall be given to the Issuer. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer, by and

through the Registrar, may pay the same, upon being indemnified as aforesaid, and, if such Bond be lost, stolen or destroyed, without surrender therefor.

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

Section 3.06. Term Bonds. In the event Term Bonds are issued as part of the Series 2013 Bonds pursuant to this Ordinance, the following provisions shall apply:

1. The amounts to be deposited, apportioned and set apart by the Issuer from the Revenue Fund and into the Series 2013 Bonds Redemption Account in accordance with Subsection 4.03(A)(1) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 12 months prior to the first mandatory redemption date of said Term Bonds, a sum equal to 1/12th of the amount (or, if the Series 2013 Bonds mature semiannually rather than annually, that month which is 6 months prior to the first mandatory redemption date of said Term Bonds, a sum equal to 1/6th of the amount) required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next ensuing mandatory Redemption Date, which amounts and dates, if any, with respect to a series of Bonds shall be set forth in the Supplemental Resolution relating thereto.

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

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

4. After said 60th day but prior to the date on which the Registrar selects the Term Bonds to be redeemed, the Bond Commission may use the monies in the Series 2013 Bonds Redemption Account to purchase Term Bonds at a price less than the par value thereof and accrued interest thereon. The Bond Commission shall advise the Issuer and the Registrar of any Term Bonds so purchased, and they shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory Redemption Date, and any excess shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

5. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the Redemption Date (interest to be paid from the Series 2013 Bonds Sinking Fund), as will exhaust as nearly as practicable such Series 2013 Bonds Redemption Account payment designated to be made in accordance with paragraph (A)(1) of this section. Such redemption shall be by random selection made on the 45th day preceding the mandatory Redemption Date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of $5,000.

Section 3.07. Notice of Redemption. Unless waived by any Holder of the Series 2013 Bonds to be redeemed, official notice of any redemption shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the applicable Bond Insurer, the Original Purchaser, and the registered owner of the Series 2013 Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

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

(1) The Redemption Date,

(2) The Redemption Price,

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

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

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

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

If funds sufficient to redeem all Series 2013 Bonds called for optional redemption have not been deposited with the Paying Agent at the time of mailing any notice of optional redemption, such notice shall also state that such optional redemption is subject to the deposit of such monies with the Paying Agent on or before the Redemption Date. If such monies are not so deposited, the Registrar shall notify all holders of Series 2013 Bonds called for redemption of such fact.

Official notice of redemption having been given as aforesaid, the Series 2013 Bonds, or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Series 2013 Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the

same maturity in the amount of the unpaid principal of such Bond. All Series 2013 Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of Series 2013 Bonds, and failure to mail such notice shall not affect the validity of proceedings for the redemption of any portion of Bonds for which there was no such failure.

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

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

Section 3.10. Series 2013 Bonds. For the purposes of paying all or a portion of the costs of acquisition and construction of improvements and betterments to the waterworks portion of the System, paying capitalized interest, if any, funding the Series 2013 Bonds Reserve Account and paying costs in connection therewith, there shall be issued the Series 2013 Bonds of the Issuer, in one or more series, in an aggregate principal amount of not more than $49,500,000. Said Series 2013 Bonds shall be designated "Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" or such other designation as may be appropriate for the year and sequence of the issue, as may be set forth in a Supplemental Resolution, and shall be issued in fully registered form, in the denomination of $5,000 or any integral multiple thereof for any period of maturity, not exceeding the aggregate principal amount of Series 2013 Bonds maturing in the period of maturity for which the denomination is to be specified. The Series 2013 Bonds shall be numbered from AR-1 consecutively upward. The Series 2013 Bonds shall be dated; shall be in such aggregate principal amount (not to exceed $49,500,000); shall bear interest at such rate or rates, not exceeding the then legally permissible rate (not to exceed 6%), payable semiannually on such dates; shall mature on such dates (which may be annual or semi-annual) (not to exceed 30 years) and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Book Entry System for Series 2013 Bonds. A. The Series 2013 Bonds shall each initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Series 2013 Bonds of each maturity, registered in the name of CEDE & CO., as nominee of DTC. Except as provided in paragraph E below, all of the Series 2013 Bonds shall be registered in the registration books kept by the Registrar in the name of CEDE & CO., as nominee of DTC; provided that if DTC shall request that the Series 2013 Bonds be registered in the name of a different nominee, the Registrar shall exchange all or any portion of the Series 2013 Bonds registered in the name of such nominee or nominees. No person other than DTC or its nominee shall be entitled to receive from the

Issuer or the Registrar either a Series 2013 Bond or any other evidence of ownership of the Series 2013 Bonds, or any right to receive any payment in respect thereof unless DTC or its nominee shall transfer record ownership of all or any portion of the Series 2013 Bonds on the registration books maintained by the Registrar, in connection with discontinuing the book entry system as provided in paragraph E below.

B. At or prior to settlement for the Series 2013 Bonds, the Issuer and the Registrar shall execute or signify their approval of a representation letter addressed to DTC in a form satisfactory to DTC (the "Representation Letter"). Any successor Registrar shall, in its written acceptance of its duties under this Ordinance, agree to take any actions necessary from time to time to comply with the requirements of the Representation Letter.

C. So long as the Series 2013 Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal or Redemption Price of or interest on such Series 2013 Bonds shall be made to DTC or its nominee at the addresses set forth in the Representation Letter in New York Clearing House or equivalent next day funds on the dates provided for such payments to be made to any Bondholder under this Ordinance. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the Issuer and the Registrar with respect to the principal or Redemption Price of or interest on the Series 2013 Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Series 2013 Bonds Outstanding of any maturity, the Registrar shall not require surrender by DTC of the Series 2013 Bonds so redeemed, but DTC may retain such Series 2013 Bonds and make an appropriate notation on the Series 2013 Bonds certificate as to the amount of such partial redemption; provided that DTC shall deliver to the Registrar, upon request, a written confirmation of such partial redemption. The records maintained by the Registrar shall be conclusive as to the amount of the Series 2013 Bonds of such maturity which have been redeemed.

D. The Issuer, the Paying Agent and the Registrar may treat DTC as the sole and exclusive owner of the Series 2013 Bonds registered in its name or the name of its nominee for the purposes of payment of the principal or Redemption Price of or interest on the Series 2013 Bonds, selecting the Series 2013 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under this Ordinance, registering the transfer of Series 2013 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Issuer nor the Registrar shall be affected by any notice to the contrary. Neither the Issuer nor the Registrar shall have any responsibility or obligation to any direct or indirect participant in DTC, any person claiming a beneficial ownership interest in the Series 2013 Bonds under or through DTC or any such participant, or any other person which is not shown on the registration books of the Registrar as being a Bondholder with respect to (i) the Series 2013 Bonds, (ii) the accuracy of any records maintained by DTC or any such participant, (iii) the payment by DTC or any such participant of any amount in respect of the principal or Redemption Price of or interest on the Series 2013 Bonds, (iv) any notice which is permitted or required to be given to Bondholders under this Ordinance, (v) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Series 2013 Bonds, or (vi) any consent given or other action taken by DTC as Bondholder.

E. The book entry system for registration of the ownership of the Series 2013 Bonds may be discontinued at any time if either: (i) DTC determines to resign as securities depository for the Series 2013 Bonds; or (ii) the Issuer determines that continuation of the system of book entry transfers through DTC (or through a successor securities depository) is not in the best interest of the beneficial owners of the Series 2013 Bonds. In either of such events (unless in the case described in clause (iii) above, the Issuer appoints a successor securities depository), the Series 2013 Bonds shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be

designated by DTC, but without any liability on the part of the Issuer or the Registrar for the accuracy of such designation. Whenever DTC requests the Issuer and the Registrar to do so, the Issuer and the Registrar shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Series 2013 Bonds.

Section 3.12. Delivery of Series 2013 Bonds. The Issuer shall execute and deliver the Series 2013 Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2013 Bonds to the Original Purchaser upon receipt of the documents set forth below:

(1) If not registered in the name of DTC or its nominee, a list of the names in which the Series 2013 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;

(2) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2013 Bonds to DTC for the benefit of the Original Purchaser;

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

(4) The unqualified approving opinion upon the Series 2013 Bonds by Bond Counsel; and

(5) Such other opinions, certificates and documents as shall be reasonably requested by the Original Purchaser.

Section 3.13. Form of Series 2013 Bonds. The definitive Series 2013 Bonds shall be in substantially the form set forth in EXHIBIT A - SERIES 2013 BOND FORM attached hereto and incorporated herein by reference, with such necessary and appropriate omissions, insertions and variations as are approved by those officers executing such Series 2013 Bonds on behalf of the Issuer and execution thereof by such officers shall constitute conclusive evidence of such approval, and the definitive Series 2013 Bonds shall have the form of the opinion of Steptoe & Johnson PLLC, as Bond Counsel, attached thereto or printed on the reverse thereof.

Section 3.14. Disposition of Proceeds of Series 2013 Bonds. Upon the issuance and delivery of the Series 2013 Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

(1). All interest accrued, if any, on the Series 2013 Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2013 Bonds Sinking Fund and applied to payment of interest on the Series 2013 Bonds at the first interest payment date.

(2). An amount of the proceeds of the Series 2013 Bonds equal to the amount, if any, set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2013 Bonds Reserve Account, provided that, to the extent the Series 2013 Bonds Reserve Requirement is satisfied in whole or in part from a reserve account letter of credit, surety bond or other credit facility, proceeds of the Series 2013 Bonds shall be deposited in the Series 2013 Bonds Reserve Account only to the extent needed to satisfy the balance of the Series 2013 Bonds Reserve Requirement.

(3). The amount of Series 2013 Bond proceeds which, together with other monies or securities deposited therein shall be equal to the Costs of Issuance of the Series 2013 Bonds shall be

deposited with the Depository Bank in the Series 2013 Bonds Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2013 Bonds at the written direction of the Issuer. Monies not to be applied immediately to pay such costs of issuance may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 120 days following the Closing Date for the Series 2013 Bonds, such unapplied proceeds shall be transferred by the Issuer to the Series 2013 Bonds Sinking Fund established in Section 4.01 hereof and applied to the next ensuing payment of interest on the Series 2013 Bonds. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2013 Bonds from which such proceeds are derived.

(4). The balance of Series 2013 Bonds proceeds, if any, shall be deposited in the Series 2013 Bonds Construction Fund and disbursed as provided in Section 3.15 hereof.

Section 3.15. Disbursements from the Series 2013 Bonds Construction Fund. Disbursements from the Series 2013 Bonds Construction Fund, except for payment of Costs of Issuance of the Series 2013 Bonds in excess of the monies available in the Costs of Issuance Fund which shall be made upon request of the Issuer, shall be made only for acquisition and construction of the Project, including all necessary engineering and other professional services relating thereto. Pending such application, monies in the Series 2013 Bonds Construction Fund, including any accounts therein, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2013 Bonds from which such proceeds are derived.

ARTICLE IV

SYSTEM REVENUES; FUNDS AND ACCOUNTS

Section 4.01. Establishment of Funds and Accounts with Depository Bank. Pursuant to this Article IV, the following special funds are created with (or continued if previously established by Prior Ordinances), and shall be held by, the Depository Bank, segregated from all other funds and accounts of the Depository Bank or the Issuer and from each other (except as set forth in this Section 4.01), and used solely for the purposes provided herein:

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

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

(3) Series 2013 Bonds Costs of Issuance Fund;

(4) Rebate Fund; and

(5) Series 2013 Bonds Construction Fund.

Section 4.02. Establishment of Funds and Accounts with Bond Commission. The following special funds or accounts are hereby created (or continued if established by Prior Ordinances) 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:

(1) Series 2005 A Bonds Sinking Fund (established by Prior Ordinances)

(2) Series 2005 A Bonds Reserve Account (established by Prior Ordinances);

(3) Series 2006 A Bonds Sinking Fund (established by Prior Ordinances);

(4) Series 2006 A Bonds Reserve Account (established by Prior Ordinances);

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

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

(7) Series 2013 Bonds Sinking Fund; and

(8) Series 2013 Bonds Reserve Account

Section 4.03. System Revenues and Application Thereof. So long as any of the Series 2013 Bonds shall be Outstanding and unpaid, the Issuer covenants as follows:

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

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) the amounts required by the Prior Ordinances to pay interest on the Prior Bonds; and (ii) beginning on the first day of that month which is 6 months prior to the first interest payment date on the Series 2013 Bonds, apportion and set apart out of the Revenue Fund and deposit in the Series 2013 Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on said Series 2013 Bonds on the next ensuing semiannual interest payment date, provided, that in the event the period to elapse between the date of such initial deposit in the Series 2013 Bonds Sinking Fund and the next ensuing semiannual interest payment date is less than or greater than 6 months, then such monthly payments shall be increased or decreased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date, and provided further, that the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2013 Bonds Sinking Fund shall be reduced by the amount of accrued interest, if any, on the Series 2013 Bonds deposited therein and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2013 Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2013 Bonds Sinking Fund;

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and, simultaneously remit to the Commission (i) the amounts required by the Prior Ordinances to pay principal on the Prior Bonds; and (ii) for deposit in the Series 2013 Bonds Sinking Fund (and in the Series 2013 Bonds Redemption Account therein in the case of Term Bonds which are to be redeemed) on the first day of each month, beginning on the first day of that month which is 12 months prior to the first

principal payment or mandatory Redemption Date of the Series 2013 Bonds, a sum equal to 1/12th of the amount (or 1/6th of the amount if the Series 2013 Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the Series 2013 Bonds on the next ensuing principal payment or mandatory Redemption Date, provided, that in the event the period to elapse between the date of such initial deposit in the Series 2013 Bonds Sinking Fund and the next ensuing principal payment or mandatory Redemption Date is less than or greater than 12 months (or 6 months if the Series 2013 Bonds mature semiannually rather than annually), then such monthly payments shall be increased or decreased proportionately to provide, one month prior to the next ensuing principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2013 Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph.

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

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and, simultaneously remit to the Commission (i) the amounts required by the Prior Ordinances to be deposited in the Prior Bonds Reserve Accounts; and (ii) commencing 13 months prior to the first date of payment of principal of the Series 2013 Bonds or upon completion of construction of the Project, whichever is earlier, if not fully funded upon issuance of the Series 2013 Bonds, for deposit in the Series 2013 Bonds Reserve Account, an amount equal to 1/120th of the Series 2013 Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 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 2013 Bonds Reserve Requirement; provided further, that if the amounts in the Series 2013 Bonds Reserve Account, as a result of a decrease in value of the Series 2013 Bonds Reserve Account below the Series 2013 Bonds Reserve Account Requirement or any withdrawal from the Series 2013 Bonds Reserve Account, the Issuer shall apply such monies for deposit into the Series 2013 Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2013 Bonds Reserve Account results in a determination that the amount of monies and the value of the Qualified Investments deposited to the credit of the Series 2013 Bonds Reserve Account is less than the Series 2013 Bonds Reserve Account Requirement, or (b) any amount is withdrawn from the Series 2013 Bonds Reserve Account for deposit into the Series 2013 Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefor, the amount so deposited shall be used to restore the amount of monies on deposit in the Series 2013 Bonds Reserve Account to an amount equal to the Series 2013 Bonds Reserve Account Requirement to the full extent that such Gross Revenues are available; provided, however, that if the shortfall in the Series 2013 Bonds Reserve Account is due to a decrease in the value of investments therein, such shortfall shall be replenished by not less than 4 equal monthly payments, and if such shortfall is due to a withdrawal from the Series 2013 Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2013 Bonds Reserve Account

whenever and as long as the amount deposited therein shall be equal to the Series 2013 Reserve Account Requirement.

Amounts in the Series 2013 Bonds Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Series 2013 Bonds when due, when amounts in the Series 2013 Bonds Sinking Fund are insufficient therefor and for no other purpose.

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

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

B. The Bond Commission is hereby designated as the fiscal agent for the administration of the Series 2013 Bonds Sinking Fund created hereunder, and all amounts required for said Sinking Fund shall be remitted to the Bond Commission from said Revenue Fund and from the proceeds of the sale of the Series 2013 Bonds, by the Issuer at the times and as otherwise provided herein. All remittances made by the Issuer to the Bond Commission shall clearly identify the fund or account into which each amount is to be deposited.

C. The monies on deposit in the Revenue Fund and the Renewal and Replacement Fund in excess of the sum insured by the FDIC shall at all times be secured, to the full extent thereof in excess of such insured sum, by Government Obligations or by other Qualified Investments as shall be eligible as security for deposits of municipal funds under the laws of the State.

D. Principal, interest or reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2013 Bonds, all in accordance with the respective principal amounts then Outstanding.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE; REBATES AND CONTINUING DISCLOSURE

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

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

The following specific provisions shall apply with respect to any investments made under this section (unless otherwise required by the Bond Insurer and as set forth in the Supplemental Resolution):

(A) Qualified Investments acquired for the Series 2013 Bonds Reserve Account shall mature or be subject to retirement at the option of the holder within not more than 5 years from the date of such investment.

(B) The Issuer shall, or shall cause the Bond Commission to, annually transfer from the Series 2013 Bonds Reserve Account to the Series 2013 Bonds Sinking Fund any earnings on the monies deposited therein and any other funds in excess of the Series 2013 Bonds Reserve Requirement, provided, however, that there shall at all times remain on deposit in the Series 2013 Bonds Reserve Account an amount at least equal to the Series 2013 Bonds Reserve Requirement.

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal from the Series 2013 Bonds Reserve Account, whereupon it shall be valued immediately after such withdrawal. If amounts on deposit in the Series 2013 Bonds Reserve Account shall, at any time, be less than the applicable Series 2013 Bonds Reserve Requirement , the applicable Bond Insurer, if any, shall be notified immediately of such deficiency, and such deficiency shall be made up from the first available Gross Revenues after required deposits to the Sinking Fund and otherwise in accordance with Section 4.03.

(D) All amounts representing accrued and capitalized interest shall be held by the Bond Commission, pledged solely to the payment of interest on the Series 2013 Bonds, as appropriate, and invested only in Government Obligations maturing at such times and in such amounts as are necessary to match the interest payments to which they are pledged.

(E) Notwithstanding the foregoing, all monies deposited in the Series 2013 Bonds Sinking Fund may be invested by the Bond Commission in the West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the Code of West Virginia, 1931, as amended.

Section 5.02. Continuing Disclosure Agreement. The Issuer shall deliver a continuing disclosure agreement or certificate in form acceptable to the Original Purchaser, the form of which shall be approved by the Supplemental Resolution, sufficient to ensure compliance with Rule 15c2-12, as it may be amended from time to time, and the Issuer hereby instructs the Mayor and Clerk to take all actions necessary for the Issuer to comply with the Continuing Disclosure Agreement.

Section 5.03. Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 2013 Bonds which would cause the Series 2013 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Series 2013 Bonds) so that the interest on the Series 2013 Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 5.04. Tax Certificate, Rebates, and Rebate Fund. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by Bond Counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of any series of Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2013 Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Ordinance.

The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be in time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefore. The Issuer at its expense, may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 5.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In

the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants Binding and Irrevocable. All the covenants, agreements and provisions of this Ordinance shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2013 Bonds, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Ordinance, the Issuer hereby covenants and agrees with the Holders of the Series 2013 Bonds, as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2013 Bonds or the interest thereon, are Outstanding and unpaid.

Section 6.02. Bonds not to be Indebtedness of the Issuer. The Series 2013 Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, the monies in the Series 2013 Bonds Sinking Fund and all accounts therein, the unexpended proceeds of the Series 2013 Bonds or money in the Series 2013 Bonds Construction Fund, if any, all as herein provided. No Holder or Holders of any Series 2013 Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay said Series 2013 Bonds or the interest thereon.

Section 6.03. Bonds Secured by Pledge of Gross Revenues and Monies in Sinking Fund. The payment of the debt service of all of the Series 2013 Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the operation of the System on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds and, in the instance of the Series 2013 Bonds, all monies and securities in the Series 2013 Bonds Sinking Fund, including the Series 2013 Bonds Reserve Account therein to the extent necessary to make the payments required under Section 4.03. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 2013 Bonds herein authorized, to make the payments into the Series 2013 Bonds Sinking Fund, all monies and securities in the Series 2013 Bonds Sinking Fund, the Series 2013 Bonds Reserve Account and all other payments provided for in this Ordinance, are hereby irrevocably pledged in the manner provided in this Ordinance to the payment of the principal of and interest on the Prior Bonds and the Series 2013 Bonds herein authorized as the same become due and for the other purposes provided in this Ordinance.

Section 6.04. Rates. 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 Ordinance. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the sewer rate ordinance of the Issuer enacted November 15, 2011 as amended by Recommended Decision entered April 19, 2012, and Commission Order dated May 18, 2012 in Case No. 11-1772-S-MA of the Public Service Commission of West Virginia (the "PSC"), and the water rate ordinance of the Issuer dated November 15, 2011, as amended by Recommended Decision entered July 31, 2012, which became Final Order on August 20, 2012 in Case No. 11-1770-W-MA of the PSC, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2013 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 this Ordinance and in compliance with this Ordinance. In the event the schedule of rates and charges initially established for the System in connection with the Series 2013 Bonds shall prove to be insufficient to produce the required sums set forth in this Ordinance, 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 Ordinance.

Prior to the issuance of the Series 2013 Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the City Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder. Such schedule or schedules of rates and charges shall be 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 so long as the Prior Bonds are outstanding, the schedule or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as set forth below, and thereafter, sufficient, together with other revenues of the System, to provide for all Operating Expenses of the System and 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 on the Series 2013 Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds including the Prior Bonds.

In the computation provided in the above paragraph, "revenues of the System" shall include increased Net Revenues estimated to be derived from any improvements under construction, and any change in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia, (without successful appeal), whether or not such approved rates are being charged and collected by the Issuer.

The Issuer hereby covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 90 days following a determination of the Independent Certified Public Accountant that less than the above-

required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

Section 6.05. Completion of Project; Operation and Maintenance. The Issuer will complete the Project as promptly as possible. The Issuer will maintain the System in good condition and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the revenues of said System in the manner provided in this Ordinance.

The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia necessary for the acquisition and construction of the Project and the operation of the System.

Section 6.06. Sale of the System. So long as the Prior Bonds are Outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of the System, except as provided by the Prior Ordinances. Additionally, so long as the Series 2013 Bonds are Outstanding, the System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to defease the pledge created by this Ordinance and the Prior Ordinances. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Bond Commission for deposit in the Series 2013 Bonds Sinking Fund, and otherwise as prescribed by Section 9.01. Any balance remaining after such defeasance shall be remitted to the Issuer by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the Gross 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 is not in excess of $500,000, the Issuer may provide for the sale of such property. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $500,000 but not in excess of $5,000,000 the Issuer by resolution duly adopted, find that the property is no longer necessary, useful or profitable in the operation of the System and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property which are less than $500,000 may be deposited into the Revenue Fund or the Renewal and Replacement Fund, at the sole discretion of the Issuer. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $500,000 and not in excess of $5,000,000, shall be deposited by the Issuer into the Renewal and Replacement Fund.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of 5,000,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of any applicable Bond Insurer, if any, or if the Series 2013 Bonds are not insured, the Holders, or their duly authorized representatives, of 51% in amount of Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the Bond Insurer, if any, or if the Series 2013 Bonds are not insured, the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except Additional Parity Bonds provided for in Section 6.08 hereof, payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from the Gross Revenues with the Series 2013 Bonds; and all obligations hereafter issued by the Issuer 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 2013 Bonds.

The Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or, except with respect to such Additional Parity Bonds, being on a parity with the lien of the Series 2013 Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2013 Bonds and the interest thereon in this Ordinance or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable.

No such Additional Parity Bonds (as hereinafter defined) shall be issued except for the purposes of financing the costs of the design, acquisition and construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds or Additional Parity Bonds, or to pay claims which may exist against the revenues or facilities of the System or all of such purposes.

So long as the Series 2013 Bonds are Outstanding, no such Additional Parity Bonds shall be issued at any time, however, unless and until there has been procured a written statement by an Independent Certified Public Accountant, reciting the conclusion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 2 Fiscal Years immediately following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

(2) Any Additional Parity Bonds theretofore issued pursuant to the provisions contained in the Prior Ordinances and this Ordinance then Outstanding; and

(3) The Additional Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia (without successful appeal), prior to the date of delivery of such Additional Parity Bonds, whether or not such approved rates are being charged and collected by the Issuer.

The term "Additional Parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Bonds. All covenants and other provisions of this Ordinance (except as to details of such Additional Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Additional Parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. 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 Ordinance required for and on account of such Additional Parity Bonds, in addition to the payments required for the Bonds theretofore issued pursuant to this Ordinance.

Additional 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 liens of the Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to the lien on and source of and security for payment from such revenues, with the Bonds.

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

Provided, however, that if the audit by an Independent Certified Public Accountant for the Issuer for the Fiscal Year immediately preceeding the proposed issuance of Additional Parity Bonds states that the Issuer was not in compliance with the rate covenant in Section 6.04 of this Ordinance for the year being audited and the Issuer has, as required by Section 6.04, enacted a rate ordinance seeking a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Ordinance, so as to prevent the Issuer from issuing Additional Parity Bonds under this Section 6.08.

Section 6.09. Insurance and Bonds. The Issuer hereby covenants and agrees, that so long as the Series 2013 Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance and bonds and workers' compensation coverage with a reputable insurance carrier or carriers or bonding company or companies rated at least "A" by Standard & Poor's Corporation covering the following risks and in the following amounts:

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the greater of the fair appraised value or the original cost thereof. In the event of any damage to or destruction of any portion of the System, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damages or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

B. PUBLIC LIABILITY INSURANCE, with limits of not less than is customarily carried by municipalities of equivalent size with respect to works and properties similar to the System to protect the Issuer from claims for bodily injury and/or death and 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, provided that, the Issuer, (with provision for reasonable reserves, participate in a captive insurance company or participate in an insurance pool for municipalities and other political subdivisions.

If the Issuer determines in good faith that any required insurance is not commercially available at a reasonable cost with reasonable terms, it shall engage an insurance consultant to verify the determination and to make recommendations regarding the types, amounts and provisions of any such insurance that should be purchased or funded by the Issuer, taking into consideration the costs and practices of other municipal water and sewer systems of similar size and type in the State to the extent that such information is available. The Issuer may, upon resolution adopted in good faith and upon the recommendations of the insurance consultant, adopt alternate or supplemental risk management programs which the Issuer determines to be reasonable, including the right to self-insure, participate in captive insurance companies and participate in an insurance pool for municipalities and other political subdivisions

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

D. FLOOD INSURANCE, 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.

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

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

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

The Issuer shall also require all contractors engaged in the construction of the Project to carry such workers' compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project.

Section 6.10. Services Rendered to the Issuer. The Issuer will not render or cause to be rendered any free services of any nature by its System; and, in the event the Issuer or any department,

agency, instrumentality, officer or employee thereof shall avail himself of the facilities or services provided by the System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. Such charges shall be paid as they accrue, and the Issuer shall transfer from its general funds sufficient sums to pay such charges for service to any of its departments or properties. The revenues so received shall be deemed to be revenues derived from the operation of the System and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 6.11. 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.

To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent rates, rentals and other charges, if not paid, shall become a lien on the premises served by the System. The Issuer further covenants and agree 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 and facilities of the System to all delinquent users of services and facilities of the System and will not restore such services of the System until all billing for charges for the services and facilities of the System, including penalties and reconnect fees, have been fully paid, or a payment agreement in compliance with the West Virginia Public Service Commission regulations has been entered.

Section 6.12. 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 or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 6.13. Books and Records. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Series 2013 Bond, shall have the right at all reasonable times to inspect the System, and all parts thereof, and all records, accounts and data of the Issuer relating thereto.

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be completely audited by an Independent Accountant, shall mail upon request, and make available generally, the report of said Independent Certified Public Accountant, or a summary thereof, to any Holder or Holders of Series 2013 Bonds issued pursuant to this Ordinance.

Section 6.14. Operating Budget. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, or at such earlier date required by the charter of the Issuer, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. 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 Original Purchaser and to any Bondholder or anyone acting for and in behalf of such Bondholder who requests the same.

Section 6.15. Mandatory Connections. The mandatory use of the sewerage portion of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer, and in order to assure the rendering harmless of sewage and waterborne waste matter produced or arising within the territory served by the sewerage portion of the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the sewerage portion of the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building and every such owner, tenant or occupant shall, after a 30 day notice of the availability of sewerage services of the System, pay the rates and charges established therefor.

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

Section 6.16. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2013 Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon the issuance of the Series 2013 Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 6.17. Covenants Regarding the Municipal Bond Insurance Policy. The Issuer intends to obtain a Municipal Bond Insurance Policy for the Series 2013 Bonds. In the event such Municipal Bond Insurance Policy is obtained, certain additional covenants of the Issuer will be required by the Bond Insurer as a condition to insuring the Series 2013 Bonds. These additional covenants shall be set forth in full in the Supplemental Resolution, shall apply to the Series 2013 Bonds and any other Bonds which may be insured by such Bond Insurer, and shall be controlling in the event any other provisions of this Ordinance may be in conflict therewith.

Section 6.18. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2013 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 2013 Bonds during the term thereof is, under the terms of the Series 2013 Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the

Net Proceeds of the Series 2013 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 2013 Bonds during the term thereof is, under the terms of the Series 2013 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 2013 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2013 Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2013 Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan to persons other than state or local government units

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2013 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2013 Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take all actions that may be required of it so that the interest on the Series 2013 Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion. .

Section 6.19. Continuing Disclosures. In order to provide the written undertaking for the benefit of the owners of the Series 2013 Bonds required by the Securities and Exchange Commission Rule 15c2-12, the Issuer shall enter into a Continuing Disclosure Agreement in such form as may be approved by the Supplemental Resolution, and the Mayor is authorized and directed to execute and deliver such Continuing Disclosure Agreement on behalf of the Issuer, with such changes as the Mayor shall approve, such approval to be conclusively evidenced by the execution of such Agreement by the Mayor.

Section 6.20 Preliminary Official Statement; Official Statement. The distribution of the Preliminary Official Statement with respect to the Series 2013 Bonds shall be and the same is hereby approved. The form of the Preliminary Official Statement shall be in such form as may be approved by the Supplemental Resolution. The Mayor is hereby authorized and directed to execute and deliver a final official statement on behalf of the Issuer, which shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be required to reflect the terms of the sale of the Series 2013 Bonds and as the Mayor may approve (the "Official Statement"). The execution of the Official Statement by the Mayor shall be conclusive evidence of such approval. Copies of the Official Statement are hereby authorized to be prepared and furnished to the Original Purchaser for distribution.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2013 Bonds:

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

(B) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part in this Ordinance or any Supplemental Resolution or in the Series 2013 Bonds contained, and such default shall have continued for a period of 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Issuer by any Bondholder or any Insurer; or

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

(D) If default occurs with respect to the Prior Bonds or the Prior Ordinances.

Section 7.02. Enforcement. Upon the happening and continuance of any Event of Default, any Bondholder (with the prior written consent of the applicable Bond Insurer) or any Bond Insurer may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his rights and, in particular:

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

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

(C) Bring suit upon the Series 2013 Bonds, as applicable;

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

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

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

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

No waiver of any default or Event of Default hereunder by the Bondholders shall be made without the prior written consent of the applicable Bond Insurer or shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto.

Section 7.03. Appointment of Receiver. If there be any Event of Default existing and continuing, any Bondholder or any Bond Insurer shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of the principal of and interest on the Series 2013 Bonds, and the Prior Bonds, the deposits into the funds and accounts hereby established as herein provided and the payment of Operating Expenses of the System and to apply such rates, rentals, fees, charges or other Revenues in conformity with the provisions of this Ordinance and the Act.

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

Whenever all that is due upon the Series 2013 Bonds issued pursuant to this Ordinance and interest thereon and under any covenants of this Ordinance for reserve, sinking or other funds and accounts and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the Revenues of the System shall have been paid and made good, and all defaults under the provisions of this Ordinance shall have been cured and made good, and all monies due hereunder or under any Supplemental Resolution have been paid in full, 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 Bondholder shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and the Holders of the Series 2013 Bonds issued pursuant to this Ordinance. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the possession, operation and maintenance of the System, for the sole purpose of the protection of both the Issuer and the Bondholders, and the curing and making good of any default under the provisions of this Ordinance, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any assets of the System.

Notwithstanding any other provision of this Ordinance, in determining whether the rights of the Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of this Ordinance, any trustee or Bondholder's committee shall consider the effect on the Bondholders as if no Municipal Bond Insurance Policy were then in effect.

Section 7.04. 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 VIII

REGISTRAR AND PAYING AGENT

Section 8.01. Appointment of Registrar. The Registrar for the Series 2013 Bonds shall be appointed pursuant to the Supplemental Resolution. The Issuer is hereby authorized and directed to enter into an agreement with the Registrar, the substantial form of which agreement is to be approved by Supplemental Resolution.

Section 8.02. Responsibilities of Registrar. The recitals of fact in the Bonds shall be taken as statements of the Issuer, and the Registrar shall not be responsible for their accuracy. The Registrar shall not be deemed to make any representation as to, and shall not incur any liability on account of, the validity of the execution of any Series 2013 Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication and Registration on the Series 2013 Bonds. The Registrar and any successor thereto shall agree to perform all the duties and responsibilities spelled out in this Ordinance and any other duties and responsibilities incident thereto, all as provided by said agreement described in Section 8.01.

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

Section 8.04. Compensation and Expenses. The Issuer shall pay to the Registrar from time to time reasonable compensation for all services, including the transfer of registration of Series 2013 Bonds, the first exchange of Series 2013 Bonds and the exchange of Series 2013 Bonds in the event of partial redemption, incurred in the performance of its duties hereunder.

Section 8.05. Certain Permitted Acts. The Registrar may become the owner of or may deal in Series 2013 Bonds as fully and with the same rights it would have if it were not Registrar. To the extent permitted by law, the Registrar may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or effect or aid in any reorganization growing out of the enforcement of the Series 2013 Bonds, or this Ordinance, whether or not any such committee shall represent the Holders of a majority in principal amount of the Series 2013 Bonds Outstanding.

Section 8.06. Resignation of Registrar. The Registrar may at any time resign and be discharged of its duties and obligations under this Ordinance by giving not less than 60 days' written notice to the Issuer and publishing in an Authorized Newspaper notice (or mailing such notice to each Bondholder in the event all Bonds are fully registered), specifying the date when such resignation shall take effect, within 20 days after the giving of such written notice. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Such resignation shall take effect upon the day specified in such notice unless a successor shall have been previously appointed by the Issuer or bondholders, in which event such resignation shall take effect immediately, provided that in no event shall such resignation take effect until a successor has been appointed and has accepted its duties as Registrar.

Section 8.07. Removal. The Registrar may be removed at any time by the Issuer, the applicable Bond Insurer or by the Holders of a majority in principal amount of the Series 2013 Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer, the applicable Bond Insurer or by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer, as the case may be. Copies of each such instrument shall be delivered by the Issuer to the Registrar. Such removal shall take effect upon the date stated in such instrument, provided that in no event shall such removal take effect until a successor has been appointed and has accepted its duties as Registrar.

Section 8.08. Appointment of Successor. In case at any time the Registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Registrar or of its property shall be appointed, or if any public officer or court shall take charge or control of the Registrar or of its property or affairs, a successor may be appointed by the Holders of a majority in principal amount of the Series 2013 Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer and such successor Registrar, notification thereof being given to the predecessor Registrar. Pending such appointment, the Issuer shall forthwith appoint a Registrar to fill such vacancy until a successor Registrar shall be appointed by such Bondholders. The Issuer shall mail to each Bondholder notice of any such appointment within 20 days after the effective date of such appointment. Any successor Registrar appointed by the Issuer shall, immediately and without further act, be superseded by a Registrar appointed by such Bondholders. If in a proper case no appointment of a successor Registrar shall be made within 45 days after the Registrar shall have given to the Issuer written notice of resignation or after the occurrence of any other event requiring such appointment, the Registrar or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Any Registrar appointed under the provisions of this section shall be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance.

Section 8.09. Transfer of Rights and Property to Successor. Any predecessor Registrar or Paying Agent shall pay over, assign and deliver any monies, books and records held by it to its successor.

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

Section 8.11. Adoption of Authentication. In case any of the Series 2013 Bonds shall have been authenticated but not delivered, any successor Registrar may adopt a Certificate of Authentication and Registration executed by any predecessor Registrar and deliver such Bonds so authenticated, and, in case any Bonds shall have been prepared but not authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in its own name.

Section 8.12. Paying Agent. The West Virginia Municipal Bond Commission shall initially serve as Paying Agent. Any alternate Paying Agent must be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Series 2013 Bonds shall be and remain DTC-Eligible.

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

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

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

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

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

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 9.01. Defeasance; Discharge of Pledge of Ordinance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 2013 Bonds the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, and all other monies due hereunder have been paid, then this Ordinance and the pledges of the Gross Revenues and other monies and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Holders of the Series 2013 Bonds made

hereunder, as applicable, shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds for the payment of which either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2013 Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Bond Commission or an escrow trustee either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with the Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on said Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of said Bonds prior to the maturity thereof, on and prior to said Redemption Date. Neither securities nor monies deposited with the Bond Commission or an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on said Bonds on and prior to such maturity or Redemption Dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge.

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Ordinance. Prior to issuance of the Series 2013 Bonds, this Ordinance may be amended, modified or supplemented in any way by the Supplemental Resolution. All provisions required by the Bond Insurer, if any, shall be set forth in the Supplemental Resolution and to the extent they constitute an amendment or modification of this Ordinance, shall be controlling. Following issuance of the Series 2013 Bonds, this Ordinance and any Supplemental Resolution may, without the consent of any Bondholder or other person, be amended, modified or supplemented in any manner which, in the opinion of Bond Counsel, does not materially adversely affect the interests of the Bondholders or any Bond Insurer, provided that, in the event any of the Bonds are insured, no such amendment or modification which affects the rights of the applicable Bond Insurer for such Bonds may be made without the written consent of such Bond Insurer. Otherwise, no materially adverse amendment or modification to this Ordinance, or of any Supplemental Resolution, may be made without the written consent of the Holders of 51% in aggregate principal amount of the Series 2013 Bonds then Outstanding and affected thereby and the Bond Insurer, which must be filed with the Clerk of the Issuer before any such modification or amendment may be made. No such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Bond without the express written consent of the Holder of such Bond, nor reduce the percentage of Series 2013 Bonds required for consent to any such modification or amendment.

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

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

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

C. The amount of fully registered Series 2013 Bonds held by a person executing any instrument as a Bondholder, the date of his holding such Series 2013 Bonds and the numbers and other identification thereof, shall be confirmed by the Bond Register.

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

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

Section 10.04. Cancellation of Bonds. All Series 2013 Bonds purchased or paid shall, if surrendered to the Issuer, be canceled and delivered to the Registrar, or, if surrendered to the Registrar, be canceled by it. No such Bonds shall be deemed Outstanding under this Ordinance and no Series 2013 Bonds shall be issued in lieu thereof. All such Bonds shall be canceled and upon order of the Issuer shall be destroyed, and a certificate evidencing such destruction shall be delivered to the Issuer.

Section 10.05. Failure to Present Bonds. Anything in this Ordinance to the contrary notwithstanding, any monies held by the Bond Commission or a Paying Agent in trust for the payment and discharge of any of the Series 2013 Bonds which remain unclaimed for two years after the date on which such Bonds have become due and payable, whether by maturity or upon call for redemption, shall

at the written request of the Issuer be paid by the Bond Commission or said Paying Agent to the Issuer as its absolute property and free from trust, and the Bond Commission or said Paying Agent shall thereupon be released and discharged with respect thereto, and the Holders of such Bonds shall look only to the Issuer for the payment of such Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Bond Commission, or said Paying Agent shall send to the Holder, at the address listed on the Bond Register, by certified mail, a notice that such monies remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of such notice is mailed, the balance of such monies then unclaimed will be returned to the Issuer.

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

ISSUER
The City of Wheeling
1500 Chapline Street
Wheeling, West Virginia 26003
Attention: Mayor

REGISTRAR
[Name(s) and address(s) to be set forth in Supplemental Resolution]

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

DEPOSITORY BANK
[Name(s) and address(s) to be set forth in Supplemental Resolution]

ORIGINAL PURCHASER
[Name(s) and address(s) to be set forth in Supplemental Resolution]

BOND INSURER
[Name(s) and address(es) to be set forth in the Supplemental Resolution]

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

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

Section 10.08. Law Applicable. The laws of the State shall govern the construction of this Ordinance and of all Series 2013 Bonds issued hereunder.

Section 10.09. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Issuer, the Registrar, the Paying Agent, the Holders of the Series 2013 Bonds, the applicable Bond Insurer, if any, and the Original Purchaser, any right, remedy or claim under or by reason of this Ordinance. All the covenants, stipulations, promises and agreements contained in this Ordinance by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Registrar, the Paying Agent, the Holders of the Series 2013 Bonds, the Bond Insurer and the Original Purchaser.

Section 10.10. Reserved

Section 10.11. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Ordinance.

Section 10.12. Table of Contents and Headlines. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 10.13. Conflicting Provisions Repealed. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, provided however, that the Prior Ordinances shall remain in full force and effect so long as any of the Prior Bonds are Outstanding.

Section 10.14. Procedure on Enactment of Ordinance; Public Hearing. Upon adoption of this Ordinance, the Clerk is hereby authorized and directed to have an abstract of this Ordinance, which abstract has been determined by the Council of the Issuer to contain sufficient information to give notice of the contents of such Ordinance, published once each week for 2 successive weeks, with not less than six full days between each publication, the first such publication to be not less than 10 days before the date stated below for the public hearing, in *The Intelligencer*, a newspaper published and having a general circulation in The City of Wheeling, together with a notice to all persons concerned, stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2013 Bonds described in this Ordinance and that any person interested may appear before the Council at the public hearing to be had at a public meeting of Council on the 2nd day of April, 2013, at 7:00 p.m., in the Council Chambers of the City Hall, Wheeling and present protests, and that a certified copy of this Ordinance is on file with the City Clerk for review by interested parties during the office hours of the City Clerk. At such hearing all protests and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises.

[Remainder of Page Intentionally Blank]

This Ordinance shall become effective following public hearing hereon in accordance with the Act.

First Reading:	March 19, 2013
Second Reading:	April 2, 2013
Effective following Public Hearing held on:	April 16, 2013

[SEAL]

Mayor

ATTEST:

City Clerk

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the City Council of THE CITY OF WHEELING at a regular meeting of the City Council held on April 16, 2013, pursuant to proper notice, at which meeting a quorum was present and acting throughout, and which Ordinance was enacted following a public hearing thereon, notice of which public hearing was published once a week for two successive weeks in a newspaper having a general circulation in the City of Wheeling, the first publication having been not less than 10 days prior to such public hearing as supplemented by Supplemental Resolution duly adopted on May 7, 2013.

Dated: May 30, 2013.

[SEAL]

Janice L. Ives

City Clerk

EXHIBIT A - SERIES 2013 BOND FORM

[DTC Legend]

No. AR-_____ $_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
_____%	_____	_____	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on _____ 1 and _____ 1, in each year, beginning _____ 1, 20__ (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $_____ designated "The City of Wheeling Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on _____, 2013, and supplemented by a supplemental resolution adopted by said Council on _____, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

[The Series 2013 Bonds are additionally secured, but only to the extent described in the Statement of Insurance printed on the Bonds, by a policy of municipal bond insurance issued by [Bond Insurer]___.]

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Bonds maturing on and after _____, 20____, are subject to redemption prior to maturity at the option of the Issuer on or after _____, 20_____, in whole at any time and in part on any Interest Payment Date, as directed by the Issuer, in reverse order of maturity and by lot within a maturity, at the following Redemption Prices (expressed as percentages of the principal amount of Bonds to be redeemed), plus interest accrued thereon to the date fixed for redemption:

Period During Which Redeemed (Dates Inclusive)	Redemption Price

(B) Mandatory Sinking Fund Redemption. The Bonds maturing on _____, 20_____ and 20_____ are subject to annual mandatory sinking fund redemption prior to maturity by random selection as may be determined by the Registrar, on _____ 1 of the years and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing _____ 1, 20

_____	Year (1)	Principal Amount

Bonds Maturing _____ 1, 20

_____	Year (1)	Principal Amount

_____

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by

the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Paying Agent on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Bonds except for accrued interest thereon shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not

exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and Clerk, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

[Manual or facsimile signature]
Mayor

ATTEST:

[Manual or facsimile signature]
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: _____, 2013.

_____,
As Registrar

By _____
Its Authorized Officer

STATEMENT OF INSURANCE

[Bond Insurance Legend]

(FORM OF)
ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SUPPLEMENTAL PARAMETERS RESOLUTION

SUPPLEMENTAL RESOLUTION AUTHORIZING AND APPROVING CERTAIN PARAMETERS AS TO DATES, AMOUNTS, MATURITIES, INTEREST RATES, REDEMPTION PROVISIONS, PURCHASE PRICE AND OTHER DETAILS AS TO THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX-EXEMPT) OF THE CITY OF WHEELING; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT, A REGISTRAR AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT; AN OFFICIAL STATEMENT, A CERTIFICATE OF DETERMINATIONS AND OTHER INSTRUMENTS RELATING TO 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 Wheeling (the "Issuer" or "Governmental Agency") has duly and officially adopted and enacted a bond ordinance, effective April 16, 2013 (the "Bond Ordinance"), entitled:

AN ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE WATERWORKS PORTION OF THE EXISTING COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $49,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT); PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS RELATING TO THE BONDS; AND ENACTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

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

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

WHEREAS, the Ordinance provided for the issuance by the Issuer of its Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax-Exempt), in the aggregate principal

amount of not more than $49,500,000 (the "Series 2013 Bonds"), for the purposes of paying a portion of the costs of acquisition and construction of additions, betterments and improvements to the System capitalizing interest on the Series 2013 Bonds, funding a reserve account for the Series 2013 Bonds and paying costs of issuance thereof, all in accordance with Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act");

WHEREAS, the Ordinance further provided that the exact dates, amounts, maturities, interest rates, redemption provisions, purchase price and other terms of the Series 2013 Bonds should be established by a supplemental resolution, that a Registrar, Paying Agent and Depository Bank be designated, that a Bond Purchase Agreement, a Continuing Disclosure Agreement, a Registrar Agreement, a Preliminary Official Statement and an Official Statement be approved and that other matters pertaining to the Series 2013 Bonds be provided for by a supplemental resolution of the Governing Body, that additional covenants and provisions relating to the Bonds be provided therein, and that other matters pertaining to the Series 2013 Bonds be provided for by a supplemental resolution of this Governing Body and a certificate of determinations executed by the Mayor and the City Manager;

WHEREAS, the Series 2013 Bonds are proposed to be purchased by Piper Jaffray and Co. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement between the Original Purchaser and the Issuer, to be dated the date of execution thereof and in general form attached hereto and incorporated herein by reference (the "Bond Purchase Agreement");

WHEREAS, the Governing Body wishes to delegate to the Mayor and City Manager the authority to approve, within the parameters set forth herein and in the Ordinance, the final terms of the Bonds and all provisions of all documents relating to the Series 2013 Bonds (the "Bond Documents"), without the requirement of further official action by this Governing Body; and

WHEREAS, the Governing Body deems it essential and desirable that this Supplemental Resolution be adopted, that the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Registrar Agreement hereinafter provided for be entered into by the Issuer, that the Preliminary Official Statement and Official Statement relating to the Series 2013 Bonds, hereinafter described, be approved, that the Issuer's Mayor and City Manager be authorized to execute the Certificate of Determinations and enter into the Bond Purchase Agreement, all within the parameters hereby approved by the Governing Body, and that other matters relating to the Series 2013 Bonds be herein provided for, all in accordance with said Ordinance.

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

Section 1. Pursuant to the Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2013 Bonds. The Series 2013 Bonds shall be issued in the aggregate principal amount not to exceed $42,000,000, bear interest at a true interest rate not to exceed 5.0% payable semiannually, shall mature in not more than 30 years from the date of issue, shall be dated such date, upon original issuance, shall mature in such principal amounts on such dates, and shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor and City Manager pursuant to their execution of the Certificate of Determinations and the Series 2013 Bonds shall be substantially in the form set forth in the Ordinance, provided however, that the specific terms of the Series 2013 Bonds shall be as determined by the Mayor and City Manager at the

time of the execution of the Bond Purchase Agreement and as approved by the Mayor and City Manager in the Certificate of Determinations attached hereto as EXHIBIT A. All other provisions relating to the Series 2013 Bonds shall be as provided in the Ordinance.

Section 2. The Bond Purchase Agreement by and between the Original Purchaser and the Issuer, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved, and directed. The Mayor and City Manager shall execute the Bond Purchase Agreement on behalf of the Issuer with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Bond Purchase Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Series 2013 Bonds, including the payment of all necessary fees and expenses in connection therewith.

Section 3. The Continuing Disclosure Agreement by and between the Issuer and the Original Purchaser, to be dated as of the date of delivery of the Series 2013 Bonds, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Continuing Disclosure Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Continuing Disclosure Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section. WesBanco Bank, Inc. is hereby appointed as dissemination agent under the Continuing Disclosure Agreement.

Section 4. The Preliminary Official Statement to be substantially in the form attached hereto (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Mayor and City Manager), and the distribution of counterparts or copies thereof by the Original Purchaser are hereby approved. The Mayor and City Manager shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Official Statement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section. The certificate of the Issuer relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Mayor and City Manager is hereby ratified and approved.

Section 5. The Registrar Agreement by and between the Issuer and the Registrar designated herein, to be dated as of the date of delivery of the Series 2013 Bonds, substantially in the form submitted to this meeting, shall be and the same is hereby approved. The Mayor and City Manager shall execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Registrar Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

Section 6. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Series 2013 Bonds.

Section 7. The Issuer does hereby appoint and designate WesBanco Bank, Inc., Wheeling, West Virginia for the purpose of serving in the capacity of Registrar.

Section 8. The Issuer does hereby appoint and designate WesBanco Bank, Inc., Wheeling, West Virginia as the Depository Bank.

Section 9. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission for the purpose of serving in the capacity of Paying Agent.

Section 10. The notice addresses for the Registrar, Paying Agent and Original Purchaser shall be as follows:

REGISTRAR

WesBanco Bank, Inc.
One Bank Plaza
Wheeling, West Virginia 26003
Attention: Corporate Trust Department

PAYING AGENT

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 117
Charleston, West Virginia 25302
Attention: Executive Director

ORIGINAL PURCHASER

Piper Jaffray & Co.
405 Capitol Street
Charleston, West Virginia 25301
Attention: Public Finance

Section 11. The City Manager, Mayor and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates, including a tax and arbitrage certificate, required or desirable in connection with the Series 2013 Bonds issue to the end that the Series 2013 Bonds may be delivered as provided in the Bond Purchase Agreement.

Section 12. The financing of the project with proceeds of the Series 2013 Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 13. This Supplemental Resolution shall be effective immediately.

Adopted this 7th day of May, 2013.

THE CITY OF WHEELING

By: _____
Its: Mayor

[SEAL]

By: _____
Its: City Manager

Attest:

_____
City Clerk

CERTIFICATION

Certified a true, correct and complete copy of a Supplemental Resolution duly adopted by the Council of THE CITY OF WHEELING on the 7th day of May, 2013.

Dated: May 30, 2013.

[SEAL]

Janice L. Jones
City Clerk

964250.00061

5891661

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

The City of Wheeling
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013

CERTIFICATE OF DETERMINATIONS

The undersigned, Andrew McKenzie, Mayor and the undersigned, Robert Herron, City Manager of The City of Wheeling (the "Issuer"), in accordance with the Supplemental Parameters Resolution adopted by the Council of the Issuer on May 7, 2013 (the "Supplemental Parameters Resolution"), with respect to the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Series 2013 Bonds"), hereby finds and determines this _____ day of May, 2013 as follows:

1. The Series 2013 Bonds shall be dated the date of closing thereon (estimated to be _____ _____, 2013) and shall bear interest on _____ and _____ of each year commencing _____, 2013.

2. The Series 2013 Bonds shall be issued in the aggregate principal amount of $____ _____, at a true interest cost of ___%. Such interest rates do not exceed _____%, being the maximum interest rate authorized by the Supplemental Parameters Resolution.

3. The Series 2013 Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. The Series 2013 Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

5. The Series 2013 Bonds shall be subject to optional and mandatory redemption as set forth on Schedule 2 attached hereto and incorporated herein.

6. The Series 2013 Bonds shall be sold to Piper Jaffray & Co., (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, at an aggregate purchase price of $_____ (representing par value less an Underwriter's discount of $_____ and a net original issue discount of $_____).

7. The forms of the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Registrar Agreement and Official Statement attached hereto are hereby approved.

The undersigned hereby certifies that the foregoing terms and conditions of the Series 2013 Bonds are within the parameters prescribed by the Supplemental Parameters Resolution, and the Series 2013 Bonds may be issued with such terms and conditions as authorized by the Supplemental Parameters Resolution.

WITNESS our signatures the day and year first written above.

THE CITY OF WHEELING

By: _____
Its: Mayor

By: _____
Its: City Manager

Schedule 1

SERIES 2013 BOND TERMS

Mandatory Sinking Fund Redemption and Maturity

Bond No.	Maturity Date or Sinking Fund (_____1)	Principal Amount	Interest Rate	Price or Yield	CUSIP No.
AR-1	_____1	$_____	_____%	_____%	_____

Schedule 2

Redemption Provisions:

Optional Redemption

The Series 2013 Bonds maturing on or after _____, 20___, are subject to redemption on or after _____, 20___, at the option of the Governing Body, in whole at any time or in part on any interest payment date, from any moneys available for such purpose, at the applicable Redemption Price (expressed as a percentage of principal amount to be so redeemed) set forth in the table below, plus interest, if any, accrued to the date fixed for redemption:

Redemption Period	**Redemption Price**
_____, 20___ and thereafter	100%

In the event of such optional redemption, the Governing Body may direct the maturity or maturities of the Bonds and the amounts thereof to be redeemed, provided that the Bonds will be redeemed in whole multiples of $5,000 in principal amount and in the minimum principal amount of $50,000.

The City of Wheeling
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013
(Tax-Exempt)

CERTIFICATE OF DETERMINATIONS

The undersigned, Andrew McKenzie, Mayor and the undersigned, Robert Herron, City Manager of The City of Wheeling (the "Issuer"), in accordance with the Supplemental Parameters Resolution adopted by the Council of the Issuer on May 7, 2013 (the "Supplemental Parameters Resolution"), with respect to the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Series 2013 Bonds"), hereby finds and determines this 15th day of May, 2013 as follows:

1. The Series 2013 Bonds shall be dated the date of closing thereon (estimated to be May 30, 2013) and shall bear interest on June 1 and December 1 of each year commencing December 1, 2013.

2. The Series 2013 Bonds shall be issued in the aggregate par amount of $38,255,000.00, at an all-in true interest cost of 3.91940%. Such interest rates do not exceed 5.0%, being the maximum interest rate authorized by the Supplemental Parameters Resolution.

3. The Series 2013 Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. The Series 2013 Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

5. The Series 2013 Bonds shall be subject to optional and mandatory redemption as set forth on Schedule 2 attached hereto and incorporated herein.

6. The Series 2013 Bonds shall be sold to Piper Jaffray & Co., (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, at an aggregate purchase price of $38,977,085.30 (representing par value of $38,255,000.00 less an Underwriter's discount of $344,295.00 plus a net original issue premium of $1,066,380.30).

7. The forms of the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Registrar Agreement and Official Statement attached hereto are hereby approved.

The undersigned hereby certifies that the foregoing terms and conditions of the Series 2013 Bonds are within the parameters prescribed by the Supplemental Parameters Resolution, and the Series 2013 Bonds may be issued with such terms and conditions as authorized by the Supplemental Parameters Resolution.

WITNESS our signatures the day and year first written above.

THE CITY OF WHEELING

By: _____
Its: Mayor

By: _____
Its: City Manager

Schedule 1

SERIES 2013 BOND TERMS

Mandatory Sinking Fund Redemption and Maturity

Maturity Date	Amount	Rate	Yield	Price	*	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bonds:									
6/1/2014	780,000	2.000%	0.540%	101.458					11,372.40
6/1/2015	800,000	2.000%	0.680%	102.621					20,968.00
6/1/2016	820,000	2.000%	0.880%	103.311					27,150.20
6/1/2017	835,000	2.000%	1.090%	103.554					29,675.90
6/1/2018	850,000	3.000%	1.330%	108.056					68,476.00
6/1/2019	875,000	3.000%	1.630%	107.804					68,285.00
6/1/2020	400,000	2.000%	1.920%	100.521					2,084.00
6/1/2020	500,000	3.000%	1.920%	107.045					35,225.00
6/1/2021	750,000	2.000%	2.190%	98.612					(10,410.00)
6/1/2021	175,000	4.000%	2.190%	113.220					23,135.00
6/1/2022	950,000	2.125%	2.370%	98.024					(18,772.00)
6/1/2023	970,000	2.250%	2.530%	97.539					(23,871.70)
	8,705,000								233,317.80
Term Bond Maturing June 1, 2026:									
6/1/2024	990,000	4.000%	3.000%	108.586	C	3.188%	6/1/2023	100.000	85,001.40
6/1/2025	1,030,000	4.000%	3.000%	108.586	C	3.188%	6/1/2023	100.000	88,435.80
6/1/2026	1,070,000	4.000%	3.000%	108.586	C	3.188%	6/1/2023	100.000	91,870.20
	3,090,000								265,307.40
Term Bond Maturing June 1, 2029:									
6/1/2027	1,115,000	3.375%	3.550%	97.877					(23,671.45)
6/1/2028	1,150,000	3.375%	3.550%	97.877					(24,414.50)
6/1/2029	1,190,000	3.375%	3.550%	97.877					(25,263.70)
	3,455,000								(73,349.65)
Term Bond Maturing June 1, 2033:									
6/1/2030	1,230,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	35,793.00
6/1/2031	1,280,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	37,248.00
6/1/2032	1,330,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	38,703.00
6/1/2033	1,160,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	33,756.00
	5,000,000								145,500.00
Term Bond Maturing June 1, 2038:									
6/1/2034	1,210,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	127,304.10
6/1/2035	1,215,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	127,830.15
6/1/2036	1,220,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	128,356.20
6/1/2037	1,225,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	128,882.25
6/1/2038	1,230,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	129,408.30
	6,100,000								641,781.00

5.000% Term Bond Maturing June 1, 2043:									
6/1/2039	190,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	18,327.40
6/1/2040	195,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	18,809.70
6/1/2041	200,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	19,292.00
6/1/2042	205,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	19,774.30
6/1/2043	210,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	20,256.60
	1,000,000								96,460.00
4.000% Term Bond Maturing June 1, 2043									
6/1/2033	225,000	4.000%	4.130%	97.775					(5,006.25)
6/1/2034	230,000	4.000%	4.130%	97.775					(5,117.50)
6/1/2035	295,000	4.000%	4.130%	97.775					(6,563.75)
6/1/2036	360,000	4.000%	4.130%	97.775					(8,010.00)
6/1/2037	430,000	4.000%	4.130%	97.775					(9,567.50)
6/1/2038	505,000	4.000%	4.130%	97.775					(11,236.25)
6/1/2039	1,625,000	4.000%	4.130%	97.775					(36,156.25)
6/1/2040	1,695,000	4.000%	4.130%	97.775					(37,713.75)
6/1/2041	1,770,000	4.000%	4.130%	97.775					(39,382.50)
6/1/2042	1,845,000	4.000%	4.130%	97.775					(41,051.25)
6/1/2043	1,925,000	4.000%	4.130%	97.775					(42,831.25)
	10,905,000								(242,636.25)
	38,255,000								1,066,380.30

*C – Priced to the first optional redemption date on June 1, 2023 at par (100%)

Schedule 2

Redemption Provisions:

Optional Redemption

The Series 2013 Bonds maturing on or after June 1, 2024, are subject to redemption on or after June 1, 2023, at the option of the Governing Body, in whole at any time or in part on any interest payment date, from any moneys available for such purpose, at the applicable Redemption Price (expressed as a percentage of principal amount to be so redeemed) set forth in the table below, plus interest, if any, accrued to the date fixed for redemption:

Redemption Period	**Redemption Price**
June 1, 2023 and thereafter	100%

EXHIBIT 1

[Form of Bond Purchase Agreement]
(See Transcript No. 29)

EXHIBIT 2

[Form of Continuing Disclosure Agreement]
(See Transcript No. 30)

EXHIBIT 3

[Form of Registrar Agreement]
(See Transcript No. 33)

EXHIBIT 4

[Form of Official Statement]
(See Transcript No. 27)

THE CITY OF WHEELING (WEST VIRGINIA)

Combined Waterworks and Sewerage System Revenue Bonds, Series 2013
(Tax-Exempt)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On the 30th day of May, 2013, the undersigned, Marie L. Presiozo, Senior Vice President and Manager of West Virginia Public Finance, of Piper Jaffray & Co. (the "Underwriter"), for and on behalf of the Underwriter, and the Mayor of The City of Wheeling (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the 30th day of May, 2013, in Charleston, West Virginia, the Underwriter received the entire original issue of $38,255,000 in aggregate principal amount of The City of Wheeling (West Virginia) Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Series 2013 Bonds" or the "Bonds"). The Series 2013 Bonds, as so received on original issuance, are in various denominations, are all dated May 30, 2013, and are numbered from R-1, upward in order of maturity to R-18, and are registered in the name of "CEDE & CO."

2. At the time of such receipt of the Bonds, they had been executed by the Mayor of the Issuer by his manual signature, and the official seal of the Issuer had been impressed upon each Bond and attested by the Clerk of the Issuer by her manual signature, and had been authenticated by an authorized officer of WesBanco Bank, Inc., as Registrar.

3. The Issuer has received and hereby acknowledges receipt from the Underwriter, as the original purchaser of the Bonds, the proceeds of the Bonds, as follows:

Par Amount	$38,255,000.00
Plus: Net Original Issue Premium	$1,066,380.30
Less: Underwriters Discount	(344,295.00)
Total	$38,977,085.30

Payment for the Bonds was made in immediately available funds (federal funds wire) in the amount of $38,977,085.30.

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WITNESS our respective signatures as of the day and year first stated above.

PIPER JAFFRAY & CO

By: _____
Its: Senior Vice President

THE CITY OF WHEELING

By: _____
Its: Mayor

964250.00061

5891024

THE CITY OF WHEELING (WEST VIRGINIA)

Combined Waterworks and Sewerage System Revenue Bonds, Series 2013
(Tax-Exempt)

DIRECTION TO AUTHENTICATE, REGISTER AND DELIVER BONDS

WesBanco Bank, Inc., as Registrar
Wheeling, West Virginia

Ladies and Gentlemen:

On the 30th day of May, 2013, there are delivered to you herewith as Registrar for the above-captioned Bonds:

1. Bonds Nos. R-1 through R-18, inclusive, constituting the entire original issue of The City of Wheeling Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax-Exempt), dated May 30, 2013, in the aggregate principal amount of $38,255,000, (the "Bonds"), executed by the Mayor and Clerk of The City of Wheeling (the "Issuer") and bearing the official seal of the Issuer. The Bonds are authorized to be issued under and pursuant to an Ordinance enacted by the Issuer on April 16, 2013, as supplemented by a Supplemental Resolution adopted by the Issuer on May 7, 2013 (collectively, the "Bond Legislation").

2. Copies of the Bond Legislation, certified by the Clerk of the Issuer.

3. The signed, unqualified approving opinions of Steptoe & Johnson PLLC, as bond counsel.

You are hereby requested and authorized, pursuant to Section 3.12 of the Bond Legislation, to authenticate, register in the name of CEDE & CO., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC") and deliver the Bonds to DTC, for the account of Piper Jaffray & Co. as the original purchaser thereof.

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Dated as of the day and year first stated above.

THE CITY OF WHEELING

By: _____
Its: Mayor

964250.00061

5891041

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-1 $780,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
2.000%	JUNE 1, 2014	MAY 30, 2013	963270 EM1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: SEVEN HUNDRED EIGHTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-2

$800,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
2.000%	JUNE 1, 2015	MAY 30, 2013	963270 EN9

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: EIGHT HUNDRED THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-3

$820,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
2.000%	JUNE 1, 2016	MAY 30, 2013	963270 EP4

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: EIGHT HUNDRED TWENTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-4

$835,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
2.000%	JUNE 1, 2017	MAY 30, 2013	963270 EQ2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: EIGHT HUNDRED THIRTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

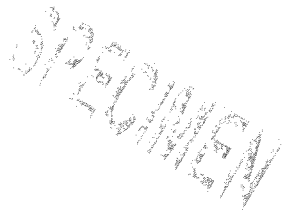
_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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



Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-5 $850,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
3.000%	JUNE 1, 2018	MAY 30, 2013	963270 ER0

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: EIGHT HUNDRED FIFTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-6 $875,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
3.000%	JUNE 1, 2019	MAY 30, 2013	963270 ES8

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: EIGHT HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-7 $400,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
2.000%	JUNE 1, 2020	MAY 30, 2013	963270 EX7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: FOUR HUNDRED THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-8 $500,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
3.000%	JUNE 1, 2020	MAY 30, 2013	963270 ET6

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: FIVE HUNDRED THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-9

$750,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
2.000%	JUNE 1, 2021	MAY 30, 2013	963270 EU3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: SEVEN HUNDRED FIFTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-10 $175,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
4.000%	JUNE 1, 2021	MAY 30, 2013	963270 EY5

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-11 $950,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
2.125%	JUNE 1, 2022	MAY 30, 2013	963270 EV1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: NINE HUNDRED FIFTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-12 $970,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
2.250%	JUNE 1, 2023	MAY 30, 2013	963270 EW9

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: NINE HUNDRED SEVENTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-13 $3,090,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
4.000%	JUNE 1, 2026	MAY 30, 2013	963270 EZ2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION NINETY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-14 $3,455,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
3.375%	JUNE 1, 2029	MAY 30, 2013	963270 FA6

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION FOUR HUNDRED FIFTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-15 $5,000,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
4.000%	JUNE 1, 2033	MAY 30, 2013	963270 FC2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: FIVE MILLION DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-16

$6,100,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
5.000%	JUNE 1, 2038	MAY 30, 2013	963270 FD0

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: SIX MILLION ONE HUNDRED THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-17 $1,000,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
5.000%	JUNE 1, 2043	MAY 30, 2013	963270 FE8

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SPECIMEN

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-18 $10,905,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
4.000%	JUNE 1, 2043	MAY 30, 2013	963270 FB4

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TEN MILLION NINE HUNDRED FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning December 1, 2013 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $38,255,000 designated "The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated May 30, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on April 16, 2013, and supplemented by a supplemental resolution adopted by said Council on May 7, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

(B) Mandatory Sinking Fund Redemption. The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the dated fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$190,000
2040	$195,000
2041	$200,000
2042	$205,000
2043*	$210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$225,000
2034	$230,000
2035	$295,000
2036	$360,000
2037	$430,000
2038	$505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Series 2013 Bonds except for accrued interest thereon, if any, shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Series 2013 Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: May 30, 2013.

WESBANCO BANK, INC.,
As Registrar

By: _____
Its Authorized Officer

(FORM OF)

ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

Chase Tower, Eighth Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.steptoe-johnson.com

Writer's Contact Information

May 30, 2013

The City of Wheeling
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013
(Tax-Exempt)

The City of Wheeling
Wheeling, West Virginia

Piper Jaffray & Co.
Charleston, West Virginia

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by The City of Wheeling, West Virginia (the "Issuer") of its $38,255,000 aggregate principal amount of Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax-Exempt) (the "Series 2013 Bonds").

The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Ordinance duly enacted by the Issuer on April 16, 2013, as supplemented by a Supplemental Parameters Resolution duly adopted by the Issuer on May 7, 2013 (collectively, the "Ordinance"), and are subject to all the terms and conditions of the Ordinance. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Ordinance when used herein.

The Series 2013 Bonds are issued in fully registered form, are dated May 30, 2013, upon original issuance, mature on June 1 in the years and amounts and bear interest payable each June 1 and December 1, commencing December 1, 2013, all as set forth in the Ordinance.

The Ordinance provides that the Series 2013 Bonds are issued for the purpose of (i) paying the costs of acquisition and construction of certain additions, betterments and improvements to the System; (ii) funding the Series 2013 Bonds Reserve Account; and (iii) paying the costs of issuance of the Series 2013 Bonds.

The Series 2013 Bonds have been sold to Piper Jaffray & Co. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement dated May 15, 2013, and accepted by the Issuer (the "Bond Purchase Agreement").

As to questions of fact material to our opinion, we have relied upon representations of the Issuer, the Original Purchaser and other entities contained in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and in the certified proceedings and other certifications of certain officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, and assuming compliance with the covenants and representations of the Issuer and others set forth in the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate and such certifications, we are of the opinion, under existing law, that:

1. The Issuer is a duly organized and validly existing municipal corporation under and pursuant to the laws of the State of West Virginia, with full power and authority to adopt and enact the Ordinance, enter into the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Certificate, perform its obligations under the terms and provisions thereof and to issue and sell the Series 2013 Bonds, all under the provisions of the Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively adopted and enacted the Ordinance, has authorized, executed and delivered the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Tax Certificate, has authorized the distribution of the Official Statement in connection with the marketing and sale of the Series 2013 Bonds, and has issued and delivered the Series 2013 Bonds to the Original Purchaser pursuant to the Bond Purchase Agreement. The Ordinance is in full force and effect as of the date hereof.

3. Assuming due authorization, execution and delivery by the other parties thereto, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Certificate constitute valid, legal, binding and enforceable instruments of the Issuer in accordance with their respective terms.

4. The Series 2013 Bonds have been duly authorized, executed and delivered by the Issuer and, assuming proper authentication, constitute valid and legally enforceable limited obligations of the Issuer, payable from, and secured by a lien on, the Gross Revenues of the System, on a parity with the Issuer's: (i) Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000 (the "Series 2005 A Bonds"); (ii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000 (the "Series 2006 A Bonds"); and (iii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000 (the "Series 2010 B Bonds") (collectively, the "Prior Bonds"). The Series

2013 Bonds are enforceable in accordance with their terms and the terms of the Ordinance, and are entitled to the benefits of the Ordinance and the Act.

5. Under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Series 2013 Bonds (including any original issue discount properly allocable to owners of the Bonds) is excludable from gross income of the holders thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations. Ownership of tax-exempt obligations, including the Series 2013 Bonds, may result in collateral federal income tax consequences to certain taxpayers, including without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. We offer no opinion as to such collateral tax consequences or any other federal tax consequences arising with respect to the Series 2013 Bonds. Prospective purchasers of the Series 2013 Bonds should consult their own tax advisors as to such consequences. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Internal Revenue Code of 1986, as amended, and regulations thereunder (collectively, the "Code") that must be satisfied subsequent to issuance of the Series 2013 Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and with all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Series 2013 Bonds set forth in the Ordinance, Bond Purchase Agreement, the Tax Certificate and the certifications of the Issuer and others. Failure to comply with such Code provisions or such certifications, covenants and representations could cause the interest on the Series 2013 Bonds to be includable in gross income retroactive to the date of issuance of the Series 2013 Bonds.

6. Under the Act, the Series 2013 Bonds and the interest thereon are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

7. The Series 2013 Bonds are exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended, and the West Virginia Uniform Securities Act, as amended, and it is not necessary, in connection with the public offering and sale of the Series 2013 Bonds, to register any securities under said Securities Acts.

It is to be understood that the rights of the holders of the Series 2013 Bonds and the enforceability of the Series 2013 Bonds, the Ordinance, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate, and the liens, pledges, rights or remedies with respect thereto, are subject to and may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally and that their enforcement may also be subject to the application of public policy, general principles of equity and the exercise of judicial discretion in appropriate cases.

We do not express any opinion as to the sufficiency or accuracy of the material, information or financial statements which are set forth in the official statement prepared and used in connection with the offering and sale of the Series 2013 Bonds.

We have examined the executed and authenticated Series 2013 Bonds of said issue, and in our opinion, said Series 2013 Bonds are in proper form and have been duly executed and authenticated.

Very truly yours,

STEPTOE & JOHNSON PLLC

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

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P.O. Box 1588
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Writer's Contact Information

May 30, 2013

The City of Wheeling, West Virginia
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013
(Tax-Exempt)

The City of Wheeling
Wheeling, West Virginia

Piper Jaffray & Co.
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance and sale by The City of Wheeling, West Virginia (the "City" or "Issuer") of its $38,255,000 aggregate principal amount of Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax-Exempt) (the "Series 2013 Bonds"). In our capacity as bond counsel, we are delivering an opinion of even date herewith concerning the legality of the Series 2013 Bonds and the exclusion of interest on the Series 2013 Bonds from gross income for federal income tax purposes (the "Bond Opinion"). We have examined the documents and instruments as described in the Bond Opinion, the Official Statement and such other matters as we have deemed necessary or appropriate to render this opinion. Words and terms used in this opinion shall have the meanings assigned to them in the Bond Purchase Agreement (the "Bond Purchase Agreement") dated May 15, 2013, between the City and Piper Jaffray & Co. (the "Underwriter") and approved by the Issuer.

Based upon the foregoing, we are of opinion that:

(1) The Bond Purchase Agreement has been duly authorized, executed and delivered by the City and, (assuming due authorization, execution and delivery by the other parties thereto and that it is a binding agreement of the other parties in accordance with its terms), is a legal, valid, binding and enforceable obligation in accordance with its terms of the City (except to the extent that enforceability may be limited by bankruptcy, insolvency or other laws or equitable principles affecting creditors' rights generally).

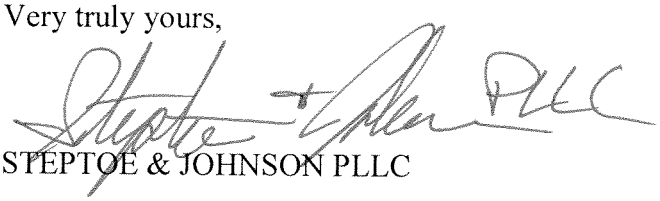
(2) The City, under the Act, has full power and authority to enact the Ordinance, enter into the Bond Purchase Agreement and perform its obligations thereunder.

(3) The Official Statement has been duly approved, signed and delivered by the City, and the City has authorized the distribution of the Official Statement and the use thereof by the Underwriter in connection with the offering of the Series 2013 Bonds.

(4) The statements and information contained in the Official Statement under the captions or subcaptions (i) "Tax Matters" are true and accurate in all material respects and presents a fair summary and description of the matters summarized and described under such caption, and (ii) the statements and information contained in the Official Statement under the captions or subcaptions, "Security for the Series 2013 Bonds," "The Series 2013 Bonds" (except for the statements referred to therein under "Book-Entry Series 2013 Bonds" with respect to the Depository Trust Company), "Financing Plan", "Tax Matters," "Original Issue Premium" "Appendix D – Proposed Form of Bond Counsel Opinion" and "Appendix E – Bond Ordinance and Supplemental Resolution", except for financial or statistical data therein as to which no opinion is hereby expressed, do not contain any untrue statement of a material fact or omit to state a material fact necessary to make such statements, in light of the circumstances under which they were made, not misleading in any material respect and are accurate and present a fair summary of the matters referred to therein.

(5) The Series 2013 Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Ordinance is exempt from qualification as a trust indenture pursuant to the Trust Indenture Act of 1939, as amended.

Very truly yours,



STEPTOE & JOHNSON PLLC

964250.00061

CITY OF WHEELING

OFFICE OF THE CITY SOLICITOR

CITY COUNTY BUILDING
1500 CHAPLINE STREET
WHEELING, WEST VIRGINIA 26003
TELEPHONE (304) 234-3736
FACSIMILE (304) 234-3605

May 28, 2013

The City of Wheeling
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013
(Tax-Exempt)

The City of Wheeling
Wheeling, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Piper Jaffray & Co.
Charleston, West Virginia

Ladies and Gentlemen:

I have acted as counsel for The City of Wheeling, West Virginia (the "City") in connection with the sale of the above-referenced Bonds (the "Series 2013 Bonds"), which are being delivered and sold pursuant to a Bond Purchase Agreement dated as of May 15, 2013 (the "Purchase Agreement") between Piper Jaffray & Co. (the "Underwriter") and the City. Any capitalized term used herein and not defined herein shall have the meaning assigned to it in the Purchase Agreement.

In this connection, I have reviewed and examined certain proceedings and documents with respect to the Series 2013 Bonds, any such records, certificates and other documents as I have considered necessary or appropriate for the purposes of this opinion, the Constitution and the laws of the State of West Virginia, including Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), the Ordinance of the City relating to the Series 2013 Bonds enacted on April 16, 2013, as supplemented by a supplemental parameters resolution adopted by the Council of the City on May 7, 2013 (collectively, the "Ordinance"), the Purchase Agreement and the Official Statement dated May 15, 2013, with respect to the issuance and offering of the Series 2013 Bonds (the "Official Statement"), and certifications of the City. Based on such review and such other considerations of law and fact as I believe to be relevant, I am of the opinion that:

1. The City is a municipal corporation and political subdivision duly organized and existing under the laws and Constitution of the State of West Virginia. The City is authorized by the laws of the State of West Virginia, as provided by the Act, to enter into and perform its obligations under the Ordinance and the Purchase Agreement.

2. The City has full power and authority to consummate all transactions contemplated by the Series 2013 Bonds, the Purchase Agreement and any other agreements relating thereto, to which the City is a party and the City has complied with all requirements of the Act that must be satisfied in connection with the issuance of the Series 2013 Bonds.

3. To the best of my knowledge following due inquiry, there is no litigation pending or threatened against the City, in any court, which in any way affects the existence of the City or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the issuance or delivery of the Bonds, or the collection of revenues and assets of the City pledged or to be pledged to pay the principal of and interest on the Series 2013 Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Series 2013 Bonds, the Ordinance, the Purchase Agreement, or contesting the powers of the State of West Virginia with respect to the Series 2013 Bonds, the Ordinance or this Purchase Agreement or any transaction described in or contemplated by the Official Statement.

4. The Official Statement, as amended or supplemented to the date hereof, contains no untrue statement regarding the City of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein regarding the City, in light of the circumstances under which they were made, not misleading.

5. The statements contained in the Official Statement under the captions "The Series 2013 Bonds", "Security for the Series 2013 Bonds," "The City," "Debt Service Requirements," "The System," "Financing Plan," "Litigation," and "Appendix B - The System," insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, except for financial or statistical data therein or matters relating to the book entry system maintained by the Depository Trust Company as to which no opinion is hereby expressed, are accurate and present a fair summary of the matters referred to therein.

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

Sincerely,

Rosemary Humway-Warmuth
City Solicitor

RHW:jb

JACKSONKELLY
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www.jacksonkelly.com

May 30, 2013

Piper Jaffray & Co.
405 Capitol Street, Suite 613
Charleston, WV 25301

Re: $38,255,000 The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)

Ladies and Gentlemen:

We have acted as counsel to you, Piper Jaffray & Co. (the "Underwriter"), in connection with your purchase of the above-referenced bonds (the "Bonds") pursuant to a Bond Purchase Agreement dated May 15, 2013 (the "Purchase Agreement") between the City of Wheeling, West Virginia (the "Issuer") and you. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Purchase Agreement.

In connection with rendering this opinion, we have examined the Official Statement dated May 15, 2013, the Purchase Agreement and Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended and presently in effect (the "Rule").

Based upon the foregoing review, we are of the opinion that the Purchase Agreement has been duly authorized, executed and delivered by the Underwriter and (assuming due authorization, execution and delivery by the other parties and that it is a binding agreement of the other parties in accordance with its terms) constitutes a valid and binding agreement in accordance with its terms of, the Underwriter, except as may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting the respective parties, the exercise of judicial discretion or the availability of equitable remedies.

It is also our opinion that the Continuing Disclosure Agreement complies as to form in all material respects with the requirements of subparagraph (b)(5) of the Rule in effect as of the date hereof and applicable to continuing disclosure agreements.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. However, to assist you in your investigation concerning the Official Statement, we have reviewed certain documents and have participated in conferences in which the contents of the Official Statement and related matters were discussed. During the course of our work on this matter, no facts have come to the attention of attorneys in our firm rendering legal services

in connection with such issuance that cause us to believe that the Official Statement (except for any financial, accounting, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any management discussion and analysis or any information relating to The Depository Trust Company and the book-entry only system contained in the Official Statement and its Appendices included therein, which we expressly exclude from the scope of this sentence) contains as of the date hereof any untrue statements of a material fact or omits to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This opinion is solely for the benefit of, and may be relied upon only by, the Underwriter; and it is not to be used, circulated, quoted or otherwise referred to for any other purpose, except that a copy hereof may be included in the transcript of closing documents pertaining to the delivery of the Bonds.

Very truly yours,

Jack Kelly PLLC

THE CITY OF WHEELING, WEST VIRGINIA

Combined Waterworks and Sewerage System Revenue Bonds, Series 2013
(Tax-Exempt)

REGISTRAR'S CERTIFICATE

WesBanco Bank, Inc., Wheeling, West Virginia (the "Bank"), as Registrar for the above-captioned Bonds (the "Bonds"), hereby certifies this 30th day of May, 2013 as follows, all capitalized terms used herein to have the same meanings set forth in the Bond Ordinance of The City of Wheeling (the "Issuer") enacted on April 16, 2013, as supplemented by Supplemental Parameters Resolution adopted by the Issuer on May 7, 2013 (collectively, the "Bond Legislation"):

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

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

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

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

Name	Title	Signature
Janet L. Shelburne	Vice President	Janet L. Shelburne
Janet W. Kendzierski	Trust Officer	Janet W. Kendzierski

5. There have been filed with the Bank all of the documents listed in Section 3.12 of the Bond Ordinance; the Bonds have been duly authenticated and registered to CEDE & CO. and delivered to The Depository Trust Company, New York, New York ("DTC"), and proceeds of the Bonds have been deposited as required by the Bond Legislation.

6. Attached hereto as EXHIBIT A is a correct listing of the Bond numbers, CUSIP numbers, maturity dates, principal amounts, interest rates and yields of the Bonds.

7. All conditions precedent contained in the Ordinance for the issuance of the Bonds have been met and the Bonds are entitled to the benefit and security of the Ordinance.

[Remainder of Page Intentionally Blank]

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

WesBanco Bank, Inc.

By: _____
Its: Authorized Officer

964250.00061

5892153

EXHIBIT A

SERIES 2013 BOND TERMS

THE CITY OF WHEELING (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013
(TAX-EXEMPT)

Mandatory Sinking Fund Redemption and Maturity

Bond No.	Maturity Date (June 1)	Principal Amount	Interest Rate	Price	CUSIP No.
AR-1	2014	$780,000.00	2.000%	$791,372.40	963270EM1
AR-2	2015	$800,000.00	2.000%	$820,968.00	963270EN9
AR-3	2016	$820,000.00	2.000%	$847,150.20	963270EP4
AR-4	2017	$835,000.00	2.000%	$864,675.90	963270EQ2
AR-5	2018	$850,000.00	3.000%	$918,476.00	963270ER0
AR-6	2019	$875,000.00	3.000%	$943,285.00	963270ES8
AR-7	2020	$400,000.00	2.000%	$402,084.00	963270EX7
AR-8	2020	$500,000.00	3.000%	$535,225.00	963270ET6
AR-9	2021	$750,000.00	2.000%	$739,590.00	963270EU3
AR-10	2021	$175,000.00	4.000%	$198,135.00	963270EY5
AR-11	2022	$950,000.00	2.125%	$931,228.00	963270EV1
AR-12	2023	$970,000.00	2.250%	$946,128.30	963270EW9
AR-13	2026	$3,090,000.00	4.000%	$3,355,307.40	963270EZ2
AR-14	2029	$3,455,000.00	3.375%	$3,381,650.35	963270FA6
AR-15	2033	$5,000,000.00	4.000%	$5,145,500.00	963270FC2
AR-16	2038	$6,100,000.00	5.000%	$6,741,781.00	963270FD0
AR-17	2043	$1,000,000.00	5.000%	$1,096,460.00	963270FE8
AR-18	2043	$10,905,000.00	4.000%	$10,662,363.75	963270FB4

The City of Wheeling
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013
(Tax-Exempt)

UNDERWRITER'S CERTIFICATE

The undersigned Marie L. Prezioso, Senior Vice President, Piper Jaffray & Co. (the "Underwriter"), for and on behalf of the Underwriter, as purchaser of the above-captioned Bonds (the "Bonds"), hereby certifies that:

1. As of May 15, 2013, the date on which the Bond Purchase Agreement (the "Bond Purchase Agreement"), dated May 15, 2013, between The City of Wheeling, West Virginia (the "Issuer") and the Underwriter was executed, the Underwriter offered all of the Series 2013 Bonds to the general public (excluding bond houses, broker or similar persons or organizations acting in the capacity of underwriters or wholesalers) (collectively, the "Public") in a bona fide public offering and the Underwriter reasonably expected that the first prices at which at least 10% of each maturity would be sold by the Underwriter to the Public were the prices not higher than, or in the case of obligations sold on a yield basis, at yields not lower than, the initial prices shown on the cover of the Official Statement. At the time we agreed to purchase the Bonds, based upon our assessment of the then prevailing market conditions, we had no reason to believe any of the Bonds would be initially sold to the Public (excluding such bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at prices greater than the prices or yields less than the yields, shown on the cover of the Official Statement. Based upon our assessment of prevailing market conditions of the Sale Date, the purchase price of each Bond is not less than the fair market value of each Bond as of the Sale Date.

2. The Issue Price for the Bonds is $39,321,380.30

3. The Underwriter has been asked by the Issuer and Bond Counsel to perform certain calculations with respect to the Bonds. Specifically, the Underwriter has been asked to calculate (a) the weighted average maturity of the Bonds under Section 147 of the Internal Revenue Code of 1986, as amended (the "Code"), and (b) the arbitrage yield of the Bonds under Section 148 of the Code, such calculations to be performed for the sole purpose of assisting the Issuer in its completion of Form 8038-G, to be filed with the Internal Revenue Service in connection with the issuance of the Bonds.

In determining the weighted average maturity of the Bonds, the Underwriter has been instructed by Bond Counsel to sum the products of the Price of each maturity and its respective number of years to maturity (rather than to their optional redemption date), divided by the sum of the Initial Offering Prices.

Bond Counsel has advised the Underwriter that the term "yield," as used in this certificate, means that discount rate which, when used in computing the present value as of the issue date of all the unconditionally payable payments of principal and interest on an obligation, produces an amount equal to the present value using the same discount rate, of the aggregate

issue price of bonds of the issue as of the issue date, based on the economic accrual method, an assumed 30-day month/360-day year, and semiannual compounding. Bond Counsel has advised the Underwriter, for the purposes of calculating the yield on the Bonds, as to adjustments, if any, required under Treasury Regulation §§ 1.148-4(b)(2) and 1.148-4(b)(3). As advised by Bond Counsel, for the purposes of calculating the yield on the Bonds, (i) to the extent that any term bond has a stated redemption price at maturity which exceeds the Initial Offering Price of such term bond by more than one-fourth of one percent multiplied by the number of years to the weighted average maturity date of such term bond, we have used the present value of each sinking fund redemption in computing the yield and otherwise we have used the outstanding stated amount of each sinking fund redemption, and (ii) to the extent that any Bond subject to optional early redemption was sold at an Initial Offering Price that exceeds the stated redemption price at maturity of such Bond by more than one-fourth of one percent multiplied by the product of the stated redemption price at maturity and the number of complete years to the first optional redemption date, we have treated such bond as redeemed at its stated redemption price on the optional redemption date that would produce the lowest yield on the Bonds. As advised by Bond Counsel, for the purposes of clause (i) above, the present value of a term bond on a mandatory redemption date is computed using the yield to the final maturity date of those Bonds as the discount rate. The Underwriter has also been advised by the Issuer and Bond Counsel that no other transaction (such as a guarantee of the Bonds, an interest rate swap or other hedge), is to be factored into the computation of the yield on the Bonds. In computing the yield on the Bonds, the Underwriter has been informed by Bond Counsel and the Issuer that, pursuant to the Bond Ordinance, as supplemented, the Bonds maturing on and after June 1, 2024, are first callable at par at the option of the Issuer on June 1, 2023, and that none of the Bonds are subject to optional redemption by the Issuer within five years of the date hereof.

Based upon the foregoing:

(A) The Weighted Average Maturity of the Bonds is 18.1103 years.

(B) The Yield on the Bonds is 3.6408%.

With respect to the above, and to the extent that we provided the Issuer and Bond Counsel with certain other information with respect to the Bonds, these computations are provided for informational purposes and are based on our understanding of directions that we have received from Bond Counsel regarding interpretation of the applicable law. We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Bond Counsel.

4. The Underwriter hereby confirms that $2,223,418.76 is the maximum amount of principal and interest payable on the Bonds in any year, and such amount is less than 10% of the principal amount of the Bonds and 125% of the average annual debt service on the Bonds payable in any year during the term of the Bonds.

5. The Underwriter hereby confirms that funding the Reserve Account for the Bonds in the amount of $2,223,418.76 was required for the marketability of the Bonds.

6. The Underwriter, as underwriter, has not and will not receive any compensation from the proceeds of the sale of the Bonds, including investment earnings thereon, in excess of its underwriter's discount in the amount of $344,295.

7. This certificate may be relied upon by the Issuer with respect to its Tax and Non-Arbitrage Certificate relating to the Bonds and by Steptoe & Johnson PLLC, Bond Counsel, in rendering its tax opinion with respect to the Bonds; provided, however, that nothing herein represents our interpretation of any laws, and in particular, regulations under Section 148 of the Internal Revenue Code.

8. The undersigned is only certifying as to facts in existence on the date hereof.

WITNESS my signature this 30th day of May, 2013.

PIPER JAFFRAY & CO.

By: _____
Its: Senior Vice President

BODKIN WILSON & KOZICKI PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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Dan E Wilson, CPA, MBA
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May 30, 2013

The City of Wheeling
Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A and Series 2010 B
(West Virginia SRF Program)

City Clerk
City of Wheeling
Wheeling, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges as set forth in the water rate ordinance of The City of Wheeling (the "Issuer") enacted November 15, 2011 as amended by a Recommended Decision entered July 31, 2012 which became a Final Order on August 20, 2012 in Case No.: 11-1770-W-MA of the Public Service Commission of West Virginia, and the sewer rate ordinance of the Issuer, enacted November 15, 2011 as amended by a Recommended Decision entered April 19, 2012 which became a Final Order on May 18, 2012 in Case No.: 11-1772-S-MA of the Public Service Commission of West Virginia, 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 combined waterworks and sewerage system of the Issuer (the "System"), will (i) provide for all Operating Expenses of the System and (ii) leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2013, issued in the original aggregate principal amount of $38,255,000 (the "Series 2013 Bonds"), and all other obligations secured by a lien on or payable from revenues prior to or on a parity with the Series 2013 Bonds, including the Issuer's: (a) Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000 (the "Series 2005 A

Bonds"); (b) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000 (the "Series 2006 A Bonds"); and (c) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000 (the "Series 2010 B Bonds") (collectively, the "Prior Bonds").

It is further our opinion that the Net Revenues actually derived from the System during a consecutive 12 month period, within the 18 months immediately preceding the date of the actual issuance of the Series 2013 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 2013 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 2013 Bonds and the Prior Bonds. To calculate this requirement, we are using the fiscal years ending June 30, 2016, June 30, 2017 and June 30, 2018 based upon the representation of the Issuer that construction will be complete by June 30, 2015.

All terms set forth herein, but not otherwise defined herein, shall have such meaning as provided in the ordinance of the City enacted on April 28, 2005, as amended, approving the Series 2005 A Bonds and the ordinance of the City enacted on October 19, 2010, as amended, approving the Series 2010 B Bonds.

Bowles Wilson & Kojicki PLLC

Wheeling, West Virginia,
May 30, 2013.

BODKIN WILSON & KOZICKI PLLC

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May 30, 2013

The City of Wheeling
Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A

City Clerk
City of Wheeling
Wheeling, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges as set forth in the water rate ordinance of The City of Wheeling (the "Issuer") enacted November 15, 2011 as amended by a Recommended Decision entered July 31, 2012 which became a Final Order on August 20, 2012 in Case No.: 11-1770-W-MA of the Public Service Commission of West Virginia, and the sewer rate ordinance of the Issuer, enacted November 15, 2011 as amended by a Recommended Decision entered April 19, 2012 which became a Final Order on May 18, 2012 in Case No.: 11-1772-S-MA of the Public Service Commission of West Virginia, 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, together with investment income, to produce Net Revenues sufficient to pay (i) 125% of the annual debt service on the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2013, in the original aggregate principal amount of $38,255,000 (the "Series 2013 Bonds"), and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 2013 Bonds, including the Issuer's: (a) Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000 (the "Series 2005 A Bonds"); (b) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000 (the "Series 2006 A Bonds"); and (c) Combined Waterworks and Sewerage System Revenue Bonds, Series

2010 B (West Virginia SRF Program) dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000 (the "Series 2010 B Bonds") (collectively, the "Prior Bonds"); and (ii) 100% of the sum of (x) the amount, if any required to be deposited in the Reserve Account to satisfy the Reserve Account Requirement within a period of not more than 12 months, assuming equal payments are made each month, and (y) amounts required to meet any legal debt or other obligation of the System coming due in that period.

It is further our opinion that the Net Revenues, together with investment income derived from the System, during the prior fiscal year or any consecutive 12 month period in the 18 months immediately preceding the date of the actual issuance of the Series 2013 Bonds, were not less than 125% of the annual debt service during such period, and projected Net Revenues in each of the 3 succeeding years, as adjusted for adopted rate increases for which all appeals have expired, shall not be less than 120% of the Maximum Annual Debt Service on the Bonds and the Prior Bonds.

All terms set forth herein, but not otherwise defined herein, shall have such meaning as provided in the ordinance of the City enacted on July 5, 2006, as amended, approving the Series 2006 A Bonds.

Bowman Wilson & Kozicki PLLC

Wheeling, West Virginia,
May 30, 2013.

BODKIN WILSON & KOZICKI PLLC

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May 30, 2013

The City of Wheeling
Combined Waterworks and Sewerage System Revenue Bonds, Series 2013

City Clerk
City of Wheeling
Wheeling, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges as set forth in the water rate ordinance of The City of Wheeling (the "Issuer") enacted November 15, 2011 as amended by a Recommended Decision entered July 31, 2012 which became a Final Order on August 20, 2012 in Case No.: 11-1770-W-MA of the Public Service Commission of West Virginia, and the sewer rate ordinance of the Issuer, enacted November 15, 2011 as amended by a Recommended Decision entered April 19, 2012 which became a Final Order on May 18, 2012 in Case No.: 11-1772-S-MA of the Public Service Commission of West Virginia, 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, together with other revenues of the System, to provide for all Operating Expenses of the System and 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 on the Series 2013 Bonds, in the original aggregate principal amount of $38,255,000 (the "Series 2013 Bonds"), and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Issuer's: (a) Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000 (the "Series 2005 A Bonds"); (b) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000 (the "Series 2006 A Bonds"); and (c) Combined Waterworks and Sewerage

System Revenue Bonds, Series 2010 B (West Virginia SRF Program) dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000 (the "Series 2010 B Bonds") (collectively, the "Prior Bonds").

It is further our opinion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of the Series 2013 Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 2 Fiscal Years immediately following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of Maximum Annual Debt Service on the Series 2013 Bonds and the Prior Bonds.

All terms set forth herein, but not otherwise defined herein, shall have such meaning as provided in the ordinance of the City enacted on April 16, 2013, as amended, approving the Series 2013 Bonds.

Bowles Wilson & Kozicki PLLC

Wheeling, West Virginia,
May 30, 2013.

THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS,
SERIES 2013 (TAX EXEMPT)

CERTIFICATE OF ENGINEER

On this 30th day of May, 2013, I, Craig Juday, P.E., Registered Professional Engineer, West Virginia License No. 019263, of CT Consultants, Willoughby, Ohio, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain extensions, additions, betterments and improvements (the "Project") to the waterworks portion of the existing combined public waterworks and sewerage system (the "System") of The City of Wheeling (the "Issuer") to be constructed in Ohio County, West Virginia, which acquisition and construction are being permanently financed, in part, by the proceeds of the above-captioned bonds (the "Bonds") of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Ordinance enacted by the Issuer on April 16, 2013, as supplemented, by Supplemental Resolution duly adopted by the Issuer on May 7, 2013.

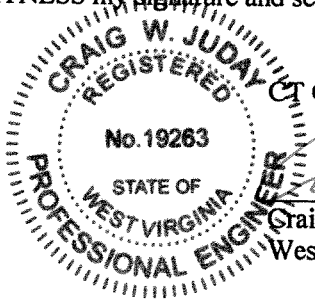
2. The Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; (ii) funding the Series 2013 Bonds Reserve Account; and (iii) paying certain costs of issuance of the Bonds and related costs.

3. To the best of our knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 30 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids or will receive for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B, attached hereto as Exhibit A; and (iv) the Issuer has received all necessary permits to complete the Project and operate the System.

[Remainder of Page Intentionally Blank]

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

(SEAL)



CT CONSULTANTS

Craig Juday, P.E.
West Virginia License No. 019263

964250.00061

5891013

Schedule B

City of Wheeling
Water Treatment Plant Project

Costs of Project	Series 2013 Bonds
1 Construction (Shook Construction)	30,548,000
2 Contingency	3,200,000
3 Engineering (CT Consultants)	2,811,000
Amount deposited in Project Account	36,559,000

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

NEW ISSUE-FULL BOOK ENTRY Rating: (See "Ratings" herein)

In the opinion of Steptoe & Johnson, PLLC, Bond Counsel, under existing statutes and court decisions and assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2013 Bonds is excludable from gross income of the holders thereof for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and purposes of calculating the alternative minimum tax. It should be noted, however, that with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. Further, in the opinion of Bond Counsel, under existing laws of the State of West Virginia, as presently written and applied, the Series 2013 Bonds and the interest thereon are exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof. See "TAX MATTERS" herein.

$39,065,000*
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

Dated: Date of Delivery **Due: June 1, as shown below**

The Series 2013 Bonds shall be issued only as fully registered Series 2013 Bonds, and when initially issued, will be registered to Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry form only and beneficial owners of the Series 2013 Bonds will not receive physical delivery of bond certificates. So long as DTC or its nominee is the registered owner of the Series 2013 Bonds, payments of the principal of and interest on such Series 2013 Bonds will be made directly to DTC. Disbursements of such payments to DTC participants is the responsibility of DTC, and disbursement of such payments to the beneficial owners is the responsibility of DTC participants (see "THE SERIES 2013 BONDS--Book-Entry Only System" herein).

The Series 2013 Bonds are being issued to provide funds, together with other funds available therefor; (i) to pay a portion of the costs of acquisition and construction of improvements and betterments to the waterworks portion of the System (the "Project"); (ii) to fund a reserve account for the Series 2013 Bonds; and (iii) to pay certain costs of issuance and related costs.

The Series 2013 Bonds are payable from and secured by the Gross Revenues derived from the City's combined waterworks and sewerage system and any additions, betterments and improvements thereto (the "System") on parity with the outstanding Prior Bonds, and from funds on deposit in the sinking funds created therefor, including the reserve accounts established therein. The Series 2013 Bonds do not constitute a corporate indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, and the City shall not be obligated to pay the Series 2013 Bonds or any premium or the interest thereon except from such Gross Revenues and such funds on deposit. Neither the credit nor the taxing power of the City shall be deemed to be pledged to, nor shall a tax ever be levied for, the payment of the principal of or the premium, if any, or interest on the Series 2013 Bonds.

The Series 2013 Bonds are subject to redemption prior to maturity as more fully stated herein.

WesBanco Bank Inc., Wheeling, West Virginia, is the Registrar and the West Virginia Municipal Bond Commission, Charleston, West Virginia, is the Paying Agent. Interest on the Series 2013 Bonds is payable semiannually on each June 1 and December 1, commencing December 1, 2013. Principal of the Series 2013 Bonds is payable on each June 1 in accordance with the schedule set forth below.

MATURITIES, AMOUNTS AND INTEREST RATES*
Series 2013 Bonds
$14,265,000* Serial Bonds

Maturing (June 1)	Principal Amount	Interest Rate	Yield (%)	CUSIP** Base #963270	Maturing (June 1)	Principal Amount	Interest Rate	Yield (%)	CUSIP** Base #963270
2014	755,000				2022	960,000			
2015	780,000				2023	990,000			
2016	805,000				2024	1,015,000			
2017	825,000				2025	1,070,000			
2018	850,000				2026	1,120,000			
2019	880,000				2027	1,165,000			
2020	905,000				2028	1,215,000			
2021	930,000								

$6,780,000 ___% Term Bonds due June 1, 2033 at _____% CUSIP: _____**
$8,145,000 ___% Term Bonds due June 1, 2038 at _____% CUSIP: _____**
$9,875,000 ___% Term Bonds due June 1, 2043 at _____% CUSIP: _____**

The Series 2013 Bonds are offered when, as and if issued and received by the Underwriter, subject to prior sale, to withdrawal or modification of the offering without notice and to the unqualified approval of legality by Steptoe & Johnson PLLC, Charleston, West Virginia, Bond Counsel. Certain legal matters will be passed upon for the City by Rose Humway-Warmuth, Esq., Wheeling, West Virginia, counsel to the City. Certain legal matters will be passed upon for the Underwriter by Jackson Kelly PLLC, Charleston, West Virginia, as counsel to the Underwriter. It is expected that the Series 2013 Bonds will be available for delivery at DTC, New York, New York, on or about May 30, 2013.

Piper Jaffray & Co.

_____, 2013
* Preliminary, subject to change.



MAYOR
Andrew McKenzie

CITY MANAGER
Robert Herron

CITY COUNCIL
Gloria Delbrugge
Ken Imer
Robert Henry
David Miller
Don Atkinson
Eugene T. Fahey

CITY ADMINISTRATION
Janice L. Jones - City Clerk

BOND COUNSEL
Steptoe & Johnson PLLC
Charleston, West Virginia

COUNSEL TO THE CITY OF WHEELING
Rose Humway-Warmuth, Esq.
Wheeling, West Virginia

UNDERWRITER
Piper Jaffray & Co.
Charleston, West Virginia

UNDERWRITER'S COUNSEL
Jackson Kelly PLLC
Charleston, West Virginia

**CUSIP data on the inside cover page is provided by Standard & Poor's CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. The CUSIP numbers on the cover page hereof are being provided solely for the convenience of the Holders of the Bonds only at the time of issuance of the Bonds and none of the City or the Underwriter make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2013 Bonds in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by the City of Wheeling, West Virginia, or the Underwriters to give any information or to make any representations, other than as contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. The information set forth herein has been obtained from the City of Wheeling and other sources, which are believed to be reliable but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriters. The information and any expression of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the City of Wheeling, West Virginia, as it relates to the System, since the date hereof. This Official Statement is submitted in connection with the sale of securities referred to herein, and may not be reproduced or used, in whole or in part, for any other purposes.

The information contained in this Official Statement has been obtained from the City and other sources believed to be reliable, but the accuracy or completeness of such information is not guaranteed by, and should not be construed as a promise by any of the foregoing. The presentation of such information is intended to show recent historic information and is not intended to indicate future or continuing trends. No representation is made that the past experience, as shown by such financial and other information, will necessarily continue or be repeated in the future. This Official Statement contains, in part, estimates and matters of opinion, whether or not expressly stated to be such, which are not intended as statements or representations of fact or certainty, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City.

The Series 2013 Bonds shall not be or constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, and from the funds on deposit in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account therein with respect to the Series 2013 Bonds and the unexpended proceeds of the Series 2013 Bonds, with respect to the Series 2013 Bonds all as herein provided. No Holder or Holders of the Series 2013 Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the City to pay the Series 2013 Bonds or the interest thereon.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimated," "forecasted," "intended," "expected," "anticipated," "projected," "assumed" and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. For a discussion of certain of such risks and possible variations in results, see the information under "INVESTMENT CONSIDERATIONS."

You should make your own decision whether this offering meets your investment objectives and risk tolerance level. No federal or state securities commission has approved, disapproved, endorsed or recommend this offering. No independent person has confirmed the accuracy or truthfulness of this disclosure, nor whether it is complete.

The Ordinance has not been qualified under the Trust Indenture Act of 1939, as amended because of available exemptions therefrom.

The following sentence has been provided by the Underwriters for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

The Series 2013 Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency has determined or confirmed the accuracy of this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2013 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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OFFICIAL STATEMENT

relating to

$39,065,000*
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

_____, 2013

INTRODUCTION

This Official Statement, including the cover page and appendices, is provided for the purpose of setting forth certain information concerning the City of Wheeling, West Virginia (the "City"), the City's combined waterworks and sewerage system and the City's $39,065,000* in aggregate principal amount of Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Series 2013 Bonds"). The Series 2013 Bonds are being issued pursuant to the Constitution and laws of the State of West Virginia (the "State"), specifically Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance finally enacted by the Council of the City on April 16, 2013 (the "Ordinance"), as supplemented by a supplemental parameters resolution adopted by the Council of the City on May 7, 2013 (the "Supplemental Resolution" and collectively with the Ordinance, hereinafter the "Ordinance"). Certain capitalized terms used and not defined in this Introductory Statement are defined in the Ordinance.

The proceeds of the Series 2013 Bonds, together with other funds available therefor, will be used as follows: (i) to pay a portion of the costs of acquisition and construction of improvements and betterments (the "Project") to the waterworks portion of the combined waterworks and sewerage system of the City (the "System"); (ii) to fund a reserve account for the Series 2013 Bonds; and (iii) to pay certain costs of issuance and related costs.

There are outstanding obligations of the City which will rank on a parity with the Series 2013 Bonds as to liens, pledge, source of and security for payment, being (i) the Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program) (the "Series 2005 A Bonds"), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000, of which approximately $10,573,049 is outstanding as of March 31, 2013; (ii) the Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A (the "Series 2006 A Bonds"), dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000, of which approximately $10,835,000 is outstanding as of March 31, 2013; (iii) the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2010 A (the "Series 2010 A Bonds"), dated May 6, 2010, issued in the original aggregate

* Preliminary, subject to change.

principal amount of $4,455,000, of which approximately $3,055,000 is outstanding as of March 31, 2013; and (iv) the Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program) (the "Series 2010 B Bonds"), dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000, of which approximately $7,768,650 is outstanding as of March 31, 2013 (collectively, the "Prior Bonds"). The City intends to defease the Series 2010 A Bonds prior to the issuance of the Series 2013 Bonds.

The Series 2013 Bonds and the Prior Bonds are payable from and secured by the Gross Revenues, as defined in the Ordinance, derived from the System and any additions, betterments and improvements thereto, and from funds on deposit in the Series 2013 Bonds Sinking Fund, including the Reserve Accounts therein. The Series 2013 Bonds do not constitute corporate indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, and the City shall not be obligated to pay the Series 2013 Bonds or any premium or the interest thereon except from such Gross Revenues and such funds on deposit. Pursuant to the Ordinance, the City has covenanted and agreed to establish and collect just and equitable rates and charges for the use of the System and the services rendered thereby as will always produce Gross Revenues which shall be sufficient (i) to pay all Operating Expenses of the System and (ii) to leave a balance each year so long as the Series 2006 A Bonds are outstanding of at least 125%, thereafter so long as the Series 2010 A Bonds are outstanding of at least 120%, and thereafter of at least 115% of the maximum annual amount required in any year to pay principal of and interest on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 2013 Bonds, including the Prior Bonds. See "SECURITY FOR THE SERIES 2013 BONDS - Rate Covenant." The covenants relating to the Series 2010 A Bonds will be eliminated when the Series 2010 A Bonds are defeased.

The City may issue additional bonds on a parity with the Series 2013 Bonds for the purpose of (i) financing the cost of the design, acquisition or construction of extensions, additions, betterments or improvements to the System; (ii) refunding all or a portion of one or more series of Bonds, Prior Bonds or additional parity bonds hereafter issued; (iii) pay claims which may exist against the revenues or facilities of the System; or (iv) all of such purposes, subject, in each case, to certain tests and conditions provided for by the Ordinance (any such additional parity bonds are hereinafter referred to as the "Bonds"). See "SECURITY FOR THE SERIES 2013 BONDS - Additional Parity Bonds."

Brief descriptions of the Project, the Series 2013 Bonds, the Ordinance, certain provisions of the Supplemental Resolution, the System, the City, the Undertaking and certain provisions of the Act, are set forth in this Official Statement, as well as other information contained in the appendices hereto. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Ordinance, the Supplemental Resolution, the Undertaking, provisions of the Act and other applicable laws of the State are qualified in their entirety by reference to each such document or law. References herein to the Series 2013 Bonds are qualified in their entirety by reference to the form thereof included in the Ordinance and the information with respect thereto included in the aforesaid documents.

FINANCING PLAN

The Project

The Series 2013 Bonds are being issued to provide moneys for the Project which consists of acquiring and constructing certain additions, betterments and improvements to the waterworks portion of the System, including rehabilitating and/or replacing low service pumps and other existing equipment associated with pretreatment processes, namely pre-sedimentation, aeration, flocculation and sedimentation; replacing the existing blower building and equipment; replacing existing chemical and storage systems associated with taste and odor control, coagulation, disinfection, lead and copper control and fluoridation; replacing existing rapid sand filters with new state-of-the art membrane filters and related chemical feed systems for maintenance; constructing a filtration and administration building to contain the membranes, new chemical feed systems, new laboratory and SCADA controls; replacing the existing clearwell with a new above-ground storage tank; and making various other improvements associated with repairs or upgrades to electrical systems, mechanical systems, architectural features, structural systems and safety aspects needed at the water treatment plant.

The City opened bids on March 22, 2013. The low bid was $30,548,000. The City anticipates a two-year construction period.

Sources and Uses of Bond Proceeds

Sources of Funds		
Principal Amount of Series 2013 Bonds		$
[Original Issue Premium/Discount]		
	TOTAL	$
Uses of Funds		
Deposit to Construction Fund		$
Deposit to Reserve Account (1)		
Underwriter's Discount		
Costs of Issuance (2)		
	TOTAL	$

(1) An amount not to exceed the maximum annual debt service on the Series 2013 Bonds/reserve requirement.

(2) Includes legal and financing fees, bond counsel fees, underwriter's counsel fees, rounding, registrar's fee and other miscellaneous expenses relating to the issuance of the Series 2013 Bonds.

THE SERIES 2013 BONDS

General

The Series 2013 Bonds are dated the date of delivery. All Series 2013 Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2013 Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2013 Bonds shall be in default, Series 2013 Bonds issued in exchange for Series 2013 Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2013 Bonds surrendered. The Series 2013 Bonds will bear interest from their date, payable semiannually on each June 1 and December 1 in each year (each an "Interest Payment Date"), commencing December 1, 2013, until maturity or until the date fixed for redemption if the Bond is called for prior redemption and payment on such date is provided for.

The Series 2013 Bonds will be issued as fully registered Series 2013 Bonds without coupons, in denominations of $5,000 or any integral multiples thereof for any year of maturity. Interest on the Series 2013 Bonds shall be payable by check or draft made payable and mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner thereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Series 2013 Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by WesBanco Bank, Inc., Wheeling, West Virginia, as registrar (in such capacity, the "Registrar") or, at the option of any Registered Owner of $1,000,000 or more of the Series 2013 Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to the Record Date by such Registered Owner. Principal of and premium, if any, on the Series 2013 Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender thereof at the principal corporate trust office of the Paying Agent.

Ownership of any Bond may be transferred only by transfer of registration presented to the Registrar by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or his duly authorized attorney or legal representative. Upon any such transfer of a Bond, there will be issued another Bond or Series 2013 Bonds, at the option of the Holder or transferee, of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond. For every exchange or transfer of Series 2013 Bonds, the Registrar may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer. Any applicable tax, governmental charge or charge to reimburse the Registrar for any tax or governmental charge

shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Series 2013 Bonds that have been called for redemption.

Optional Redemption

The Series 2013 Bonds are subject to optional redemption prior to their stated maturity at any time on and after June 1, 20__, at the option of the City at _____, plus accrued interest thereon to the date set for redemption.]

[Mandatory Sinking Fund Redemption

The Series 2013 Bonds maturing June 1, 20__, June 1, 20__ and June 1, 20__, are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing 20__

Year (June 1)	Principal Amount
20__	$
20__*	$

*Final Maturity

So long as the Series 2013 Bonds are maintained under a book-entry system, notice of the call for any redemption of the Series 2013 Bonds shall be given as described in "THE SERIES 2013 BONDS – Book-Entry Series 2013 Bonds."]

Notice of Redemption

Unless waived by any Registered Owner of the Bonds to be redeemed, official notice of any redemption shall be given by the Registrar on behalf of the City by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Original Purchaser, and the Registered Owner of the Series 2013 Bond or Bonds, as applicable, to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2013 Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2013 Bonds for which there was no failure. After notice of redemption has

been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2013 Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue. Notice may also be given by acceptable electronic means.

Book-Entry Series 2013 Bonds

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by

entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street

name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2013 A Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to Tender/Remarketing Agent's DTC Account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that City believes to be reliable, but City takes no responsibility for the accuracy thereof.

No Assurance Regarding DTC Practices

The City cannot and does not give any assurances that DTC, the Direct Participants or the Indirect Participants will distribute to the Beneficial Owners of the Series 2013 Bonds (1) payments of principal of or interest and premium, if any, on the Series 2013 Bonds, (2) confirmation of beneficial ownership interest in the Series 2013 Bonds, or (3) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Series 2013 Bonds, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "rules" applicable to DTC are on file with the Securities and Exchange Commission, and the current "procedures" of DTC to be followed in dealing with Direct Participants are on file with DTC.

Neither the City nor the Paying Agent shall have any responsibility or obligation to any Direct Participant, Indirect Participant, Beneficial Owner or any other person with respect to (1)

the accuracy of any records maintained by DTC or any Participant; (2) the payment by DTC or any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption price of or interest on the Series 2013 Bonds; (3) the delivery by DTC or any Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Resolution to be given to Bondholders; or (4) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Series 2013 Bonds.

SECURITY FOR THE SERIES 2013 BONDS

The Series 2013 Bonds are special obligations of the City and are payable as to principal, premium, if any, and interest solely from the sources described below. The City is under no obligation to pay the Series 2013 Bonds except from said sources.

Sources of Payment

The payment of the debt service on all of the Series 2013 Bonds shall be secured equally and ratably by a first lien on the Gross Revenues derived from the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds, and all moneys in the Series 2013 Bonds Sinking Fund for each Series of Series 2013 Bonds, including the Reserve Account therein. Gross Revenues derived from the System in an amount sufficient to pay the principal of, premium, if any, and interest on the Prior Bonds and the Series 2013 Bonds and to make the payments into all funds and accounts and all other payments provided for in the Ordinance, and the funds in the Series 2013 Bonds Sinking Fund are irrevocably pledged to the payment of the principal of, premium, if any, and interest on the Prior Bonds and the Series 2013 Bonds as the same become due and for the other purposes provided in the Ordinance.

Rate Covenant

In the Ordinance, the City covenants and agrees that so long as the Prior Bonds are outstanding, the schedule or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as set forth below, and thereafter, sufficient, together with other revenues of the System, to provide for all Operating Expenses of the System and 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 on the Series 2013 Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds including the Prior Bonds. Under the Prior Ordinances, the City has covenanted to collect fees and charges such that Gross Revenues after the payment of all Operating Expenses available for debt service which are at least 125% so long as the Series 2006 A Bonds are outstanding, thereafter at least 120% so long as the Series 2010 A Bonds are outstanding, and thereafter at least 115% of the average annual debt service on all Series 2013 Bonds and the Prior Bonds.

In the computation provided in the above paragraph, "revenues of the System" shall include increased Net Revenues estimated to be derived from any improvements under

construction, and any change in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia, (without successful appeal), whether or not such approved rates are being charged and collected by the Issuer.

In the Ordinance, the City covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 90 days following a determination of the Independent Certified Public Accountant that less than the above required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

The City did not meet the coverage tests for the Prior Bonds for fiscal year 2012. The City enacted rate ordinances that are anticipated to produce revenues to meet such tests. See "Appendix C – Financial Statements of the City" and "Appendix F – Rate Tariffs." The City enacted a 17% sewer rate increase which took effect on the January 2013 billing cycle. The water rates attached herein in Appendix F will become effective upon issuance of the Series 2013 Bonds.

Reserve Account

Pursuant to the Ordinance, there will be created with the Bond Commission in the Series 2013 Bonds Sinking Fund a Reserve Account (the "Series 2013 Bonds Reserve Account") into which will be deposited an amount equal to the reserve requirement. See "Appendix E – Form of Bond Ordinance and Supplemental Resolution." Moneys in the Series 2013 Bonds Reserve Account shall be used only to pay principal of, or interest on the Series 2013 Bonds as due when other moneys in the Series 2013 Bonds Sinking Funds are insufficient therefor; provided, that any such moneys in excess of the Series 2013 Bond Reserve Requirement shall be withdrawn annually from the Series 2013 Bonds Reserve Account and deposited in the Series 2013 Bonds Sinking Fund. The City is required to restore any withdrawals from the Series 2013 Bonds Reserve Account which have the effect of reducing the value of the funds therein below the Series 2013 Bonds Reserve Account Requirement from the first Gross Revenues available after all other required payments to the Sinking Fund, including any deficiencies for prior payments, have been made in full; provided, that such restoration is not required when the sum in the Series 2013 Bonds Sinking Fund, including the Series 2013 Bonds Reserve Account therein, is at least equal to the aggregate amount of Series 2013 Bonds outstanding, plus the amount of interest due or thereafter to become due on said Series 2013 Bonds.

The reserve accounts for the Prior Bonds are fully funded. Simultaneously with the issuance of the Series 2013 Bonds, the City intends to cash fund from Bond proceeds the Reserve Account to the reserve requirement.

Renewal and Replacement Fund

The City is required after the payments into the Series 2013 Bonds Sinking Fund described above and the sinking funds created for the Prior Bonds and after the payment of Operating Expenses, on the first day of each month, commencing with the first month in which interest is payable from the Revenue Fund, to transfer to the Renewal and Replacement Fund a sum equal to five percent (5%) so long as the Series 2006 A Bonds are outstanding and two and one half percent (2½%) thereafter of the Gross Revenues each month, exclusive of any payments for the Series 2013 Bonds Reserve Account in the Series 2013 Bonds Sinking Fund and the reserve accounts and sinking funds of the Prior Bonds.

Withdrawals and disbursements from the Renewal and Replacement Fund shall be made (a) to pay the reasonable costs of replacements, emergency repairs, improvements or extensions to the System; or (b) to make up any deficiency in the Reserve Accounts.

Application of Revenues

All Gross Revenues are to be deposited in the Revenue Fund established with a State banking corporation or national banking association selected by the City (the "Depository Bank"), for disposition in the following order of priority (except as described below): (1) first, (i) for monthly deposit in the Prior Bonds Sinking Funds, the amount required by the Prior Ordinances to pay the interest on and principal of the Prior Bonds; (ii) beginning seven months prior to the first interest payment date of the Series 2013 Bonds, for deposit in the Series 2013 Bonds Sinking Fund, a sum equal to 1/6 of the amount of interest which will become due on the Series 2013 Bonds on the next ensuing semiannual interest payment date, and (iii) beginning 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2013 Bonds, for deposit in the Series 2013 Bonds Sinking Fund, and the Redemption Account therein in the case of the Term Bonds which are to be redeemed, a sum equal to 1/12 of the amount of principal which will mature or be redeemed and become due on the Series 2013 Bonds on the next ensuing annual principal payment date or mandatory Redemption Date (provided that, in the event the period to elapse between the date of such initial deposit in the Series 2013 Bonds Sinking Fund and the next ensuing annual principal payment date or mandatory Redemption Date is more or less than 13 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing annual principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date); (2) next, to pay from the Revenue Fund, the current monthly Operating Expenses of the System; (3) next, for restoration of any deficiency in the funding of the Reserve Accounts; and (4) then, for monthly transfer to the Renewal and Replacement Fund, a sum equal to not less than five percent so long as the Series 2006 A Bonds are outstanding and two and one-half percent thereafter of the Gross Revenues (less any amount transferred to the Reserve Accounts) received during the preceding month. Any amounts not required for deposits as set forth in (1) through (4) above shall be considered "system revenue" and such system revenue may be used for any lawful purpose of the System.

As described under "Sources of Payment" above, the Series 2013 Bonds are secured by the Gross Revenues of the System.

Enforcement of Collections

The City covenants in the Ordinance to diligently enforce and collect all fees, rates, 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, rates, rentals and other charges that 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. Such fees, rates, rentals and charges, if not paid when due, shall, to the extent allowed by the Act, become a lien on the premises served by the System.

The City further covenants and agrees that it will, subject to applicable State law and regulations, and under such reasonable rules and regulations as may be prescribed by the Public Service Commission of West Virginia and the City, discontinue and shut off the services and facilities of the System to all delinquent users of the System and will not restore such services of the System until all delinquent amounts, plus reasonable interest penalty charges for the restoration of service, have been fully paid.

Additional Parity Bonds

The Ordinance provides for the issuance of additional bonds on a parity with the Series 2013 Bonds with respect to their lien on the Gross Revenues of the System and their source of and security for payment from said Gross Revenues (the "Additional Parity Bonds") for the following purposes and under the following conditions:

No such Additional Parity Bonds shall be issued except for the purpose of (i) financing the costs of the acquisition or construction of extensions, additions, betterments or improvements to the System; (ii) refunding all or a portion of one or more series of Bonds, Prior Bonds or Additional Parity Bonds; (iii) pay claims which may exist against the revenues or facilities of the System; or (iv) all such purposes.

So long as the Prior Bonds are Outstanding, the limitations and requirements on the issuance of parity obligations set forth in the respective Prior Ordinances shall be applicable.

So long as the Series 2013 Bonds are Outstanding, no Additional Parity Bonds shall be issued at any time unless and until there has been procured a written statement by an Independent Certified Public Accountant, reciting the conclusion that the Net Revenues actually derived from the System, during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 2 Fiscal Years immediately following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of Maximum Annual Debt Service, on the following:

(1) The Bonds then Outstanding;

(2) Any Additional Parity Bonds theretofore issued pursuant to the provisions contained in the Prior Ordinances and the Ordinance then Outstanding; and

(3) The Additional Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the City, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia (without successful appeal), prior to the date of delivery of such Additional Parity Bonds, whether or not such approved rates are being charged and collected by the City.

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

The term "Additional Parity Bonds," as used above, shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien on the Revenues of the System of which is subject to the prior and superior lien of the Bonds on such Revenues. The City 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 the Ordinance, equally, as to lien and source of and security for payment from such Revenues, with the Bonds.

No additional parity Bonds shall be issued at any time, however, unless all the payments into the respective funds and accounts provided for in the Ordinance with respect to the Bonds then Outstanding, and any other payments provided for in the Ordinance, shall have been made in full as required to the date of issuance of the Additional Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Ordinance and the Prior Ordinances. See "Appendix E – Form of Bond Ordinance and Supplemental Resolution."

Provided, however, that if the audit by an Independent Certified Public Accountant for the Issuer for the Fiscal Year immediately preceding the proposed issuance of Additional Parity Bonds states that the City was not in compliance with the rate covenant in the Ordinance for the year being audited and the City has, as required by the Ordinance, enacted a rate ordinance seeking a rate increase sufficient to comply with the Ordinance, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Ordinance, so as to prevent the City from issuing Additional Parity Bonds under the Ordinance.

This provision does not, in any way, modify or amend the requirements in the Prior Ordinances related to the issuance of Additional Parity Bonds when the audit for the prior fiscal year states that the City was not in compliance with the rate covenant in the Prior Ordinances or the Ordinance.

The City anticipates that it will from time to time issue additional parity bonds to finance the costs of improvements to the System.

THE CITY

The City of Wheeling is a political subdivision and Class II City of the State of West Virginia. Located in Ohio County (as the seat of County government) in the northern panhandle of West Virginia, the City of Wheeling is the third largest city in the State and has a population of 28,355. See "Appendix A – The City of Wheeling and Ohio County" herein.

City Government

The City Government is organized under the "Manager-Mayor Plan", Plan V of the charter plans authorized by Chapter 8, Article 3, Section 2 of the Code of West Virginia, 1931, as amended. Within the provisions of this Plan, the City elects a Council comprised of six members, on a ward basis, and a Mayor, at large, each for four (4) year, non-staggered, terms. Council appoints a City Manager, who may only be removed upon the vote of five of the seven elected officials. Council, including the Mayor, constitutes the governing body of the City. The City Manager is the administrative authority. The City Manager manages the affairs of the City under the supervision of the Council and is responsible to such Council. The City Manager appoints or employs all subordinates and employees for whose duties or work he is responsible to the Council.

THE SYSTEM

The City of Wheeling commenced the operation of a public water system over 165 years ago and has provided a system of storm and sanitary sewers since the late 1800's. The City has always operated its water system. However, beginning in 1954 at the time of construction of the City's first sewage treatment plant, until 1982, the sewerage system was operated, maintained and controlled by a Sanitary Board, independent of City Council, pursuant to Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended. In 1982, the City terminated the Sanitary Board and transferred control of the Sewerage System to the City under the jurisdiction of the

Water Pollution Control Department, and separate from the Water Department. The System operates as a combined water and sewer system for debt purposes pursuant to the Act. The description of the operations and financial affairs of each, as described in Appendix B, is separate and distinct, as each continues to be operated on an individual basis.

Coverage Ratios

Under the Ordinance, the City has covenanted to collect fees and charges such that Gross Revenues after the payment of all Operating Expenses available for debt service which are at least 125% so long as the Series 2006 A Bonds are outstanding, thereafter at least 120% so long as the Series 2010 A Bonds are outstanding, and thereafter at least 115% of the average annual debt service on all Series 2013 Bonds and the Prior Bonds. See "SECURITY FOR THE SERIES 2013 BONDS -- Rate Covenant," herein. The City intends to defease the Series 2010 A Bonds.

The following table presents the historical debt service coverage ratio for the Prior Bonds for the fiscal years ended June 30, 2011 and June 30, 2012, estimated coverage for fiscal year ending June 30, 2013, and projected coverage for the Prior Bonds and the Series 2013 Bonds for the fiscal years ended June 30, 2014 and June 30, 2015. See "Appendix B – The System."

	Historical		Actual	Projected		
	2010*	2011*	2012	2013	2014	2015
GROSS REVENUES						
Operating Revenues - Sewer (1)	5,364,545	5,367,160	5,200,767	5,187,765	5,174,796	5,161,859
Operating Revenues - Water (1)	5,968,043	6,284,132	6,316,614	6,300,822	6,285,070	6,269,358
Plus: Other Income and Contributions (1)	13,705	10,936	8,201	8,180	8,160	8,140
Plus: Estimated Revenues from Approved Rate Increases - Sewer (2)				1,060,185	1,057,534	1,054,890
Plus: Estimated Revenues from Approved Rate Increases - Water (3)				3,357,831	3,349,436	3,341,063
Gross Revenues to pay Operating Expenses	11,346,293	11,662,228	11,525,582	15,914,784	15,874,997	15,835,309
OPERATING EXPENSES (4)						
Operating expenses - Sewer	4,768,848	4,976,116	5,063,426	5,209,469	5,359,075	5,489,836
Operating expenses - Water	4,830,578	4,989,091	5,313,616	5,443,268	5,576,084	5,712,140
Less: Depreciation and Adjustments	(2,050,797)	(2,167,755)	(2,199,077)	(2,252,734)	(2,307,701)	(2,364,009)
Plus: Estimated Increase for Project O&M and Membrane Sinking Fund (5)						358,760
Operating Expenses for Debt Service Coverage	7,548,629	7,797,452	8,177,965	8,400,002	8,627,457	9,196,727
NET REVENUES	3,797,664	3,864,776	3,347,617	7,514,781	7,247,540	6,638,582
MAXIMUM ANNUAL DEBT SERVICE (6)	2,483,341	3,005,480	3,005,480	4,401,041	4,401,041	4,401,041
DEBT SERVICE COVERAGE	153%	129%	111%	171%	165%	151%

(1) Assumes a decline of .25% in 2013, 2014 and 2015, to reflect decline in sales.

(2) Assumes a 2.67% increase and a 17.5% project increase effective in 2013, declining by .25% in 2014 and 2015 to reflect decline in sales.

(3) Assumes a 53.1% increase effective in 2013, declining by .25% in 2014 and 2015 to reflect decline in sales.

(4) Assumes increase of 2.44% annually in 2014 and 2015 to reflect inflation.

(5) Assumes additional operating costs for the new plant of $243,120 and membrane sinking fund costs of $115,640 for 2015.

(6) Maximum Annual Debt Service

	2010	2011, 2012	2013 - 2015
2005 Series	881,428	881,429	881,428
2006 Series	772,381	771,806	774,963
2010 A Series	829,531	828,188	-
2010 B Series	-	524,058	524,057
2013 Series	-	-	2,220,594
	2,483,341	3,005,480	4,401,041

*Source: Annual Audits

DEBT SERVICE REQUIREMENTS

The following table sets forth for each fiscal year during which Prior Bonds and the Series 2013 Bonds will be outstanding beginning Fiscal Year 2014 (July 1, 2013 – June 30, 2014) the amounts payable from Gross Revenues.

Year Ended June 30	Prior Bonds Debt Service	Series 2013 Principal	Series 2013 Interest	Series 2013 Total	Total Debt Service
2014	2,178,092.49				
2015	2,177,292.47				
2016	2,175,741.52				
2017	2,178,778.62				
2018	2,176,198.79				
2019	2,180,447.19				
2020	2,178,698.52				
2021	2,176,198.56				
2022	2,177,947.87				
2023	2,176,587.34				
2024	2,179,585.19				
2025	2,176,734.95				
2026	2,178,247.86				
2027	1,738,195.84				
2028	1,298,745.49				
2029	1,298,743.94				
2030	1,297,506.90				
2031	1,295,008.41				
2032	1,165,256.44				
2033	771,975.00				
2034	775,237.50				
2035	771,737.50				
2036	771,737.50				
2037	-				
2038	-				
2039	-				
2040	-				
2041	-				
2042	-				
2043	-				
TOTALS	39,494,695.89*				-

*Does not include the Series 2010 A Bonds.

INVESTMENT CONSIDERATIONS

Gross Revenue Pledge

The Series 2013 Bonds are secured solely by the Gross Revenues of the System. There can be no guarantee that current rates of the System will always produce revenue sufficient to pay the debt service on the Prior Bonds, the Series 2013 Bonds and any Additional Parity Bonds. The City has covenanted in the Ordinance to raise the rates of the System if the Gross Revenues

of the System are not sufficient to provide the required coverage of the maximum annual debt service of the Series 2013 Bonds and all bonds issued on a parity with the Series 2013 Bonds and the Prior Bonds. After enactment of a rate increase, however, if twenty-five percent or more of the City's customers or one of the City's wholesale customers file a petition protesting the rate increase, the Public Service Commission of West Virginia (the "Commission") will have jurisdiction to review and modify the rates of the City. If a rate increase is appealed, there can be no assurance that the Commission will approve the increase of rates and charges to a level sufficient to generate revenues sufficient to pay the debt service on the Prior Bonds and the Series 2013 Bonds and meet the coverage requirements. The Commission is not expressly statutorily required to set rates sufficient to satisfy the bond covenants of any combined waterworks and sewerage utility.

Gross Revenues sufficient to pay the debt service on the Series 2013 Bonds, the Prior Bonds and any Additional Parity Bonds also depend on the retention of current customers by the City. An unexpected loss of customers by the City could have an adverse effect on the ability of the City to make the required payments on the Series 2013 Bonds. Additionally, a significant reduction in the amount of water used by customers of the City may also have an adverse impact on the City's ability to make the required payments on the Series 2013 Bonds. The City does not have the authority to require citizens to accept potable water service by the System. Accordingly, any further extensions of the waterworks portion of the System by the City are dependent upon the City being able to obtain agreements with those potential customers to purchase water from the City. If the City is unable to obtain agreements from potential water customers after an extension is constructed, it may have an adverse impact on the ability of the City to make the required payments on the Series 2013 Bonds. The City has 5 resale customers that purchase water from the City. See "APPENDIX B – THE SYSTEM" herein. If a significant wholesale customer were to obtain water from some other source, it may have an adverse impact on the ability of the City to make the required payments on the Series 2013 Bonds.

Although water usage has been historically higher in the City, a combination of multiple businesses moving outside of the service area of the System and a decrease in the City's population have caused water usage to decrease in recent years.

Failure to Meet Coverage Requirement

The City did not meet the coverage tests for the Prior Bonds for fiscal year 2012. Following such determination, the City enacted rate ordinances that are anticipated to produce revenues to meet such tests. See "Appendix C – Financial Statements of the City" and "Appendix F – Rate Tariffs." The City enacted a 17% sewer rate increase which took effect on the January 2013 billing cycle. The water rates attached herein in Appendix F will become effective upon issuance of the Series 2013 Bonds. .

Demographic and Economic Changes in the Service Area

Wheeling Downs, one of the City's five largest customers of the System is facing competition from new gaming establishments in Ohio and Pennsylvania. Wheeling Downs has indicated that it may reduce or eliminate certain gaming activities. Such reduction may have an impact on the revenues paid to the City by Wheeling Downs. The City can make no representations with respect to the long term impact of gaming competition on Wheeling Downs and its rate/revenue impact.

There is possible growth in the Highlands shopping center area that may have an impact on the water consumption in the area.

The City is located in the Marcellus Shale play area which may have an impact on the water consumption in the area. See "Appendix B – The System."

Future Legislation

Current or future legislative proposals, if enacted into law, may cause interest on the Series 2013 Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent holders of the Series 2013 Bonds from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals may also affect the market price for, or marketability of, the Series 2013 Bonds. Prospective purchasers of the Series 2013 Bonds should consult their own tax advisors regarding any such pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

It is not an event of default on the Series 2013 Bonds if any legislation is enacted reducing or eliminating the exclusion of interest on state and local government bonds from gross income for federal income tax purposes.

The Public Service Commission of West Virginia

In West Virginia, municipal combined waterworks and sewerage utilities such as the City are subject to regulatory oversight by the Public Service Commission of West Virginia (the "Commission") in certain situations. Specifically, pursuant to Chapter 24, Article 2, Section 11 of the Code of West Virginia, 1931, as amended, utilities must obtain a certificate of public convenience and necessity prior to proceeding to construction for projects which are outside of "the normal course of business." Additionally, rate increases approved by the Council of the City are subject to review for regulatory "notice" requirements and, under certain circumstances, the actual proposed rates. Municipal combined waterworks and sewerage utilities in West Virginia do not have the ability to adjust rates without the possibility of regulatory review. The parameters surrounding this review are discussed below. Such regulatory review may delay or halt the implementation of rate increases which could cause the utility to fail to meet rate covenants or produce revenue sufficient to pay debt service.

The Commission has two levels of review. Most cases are initially assigned to an administrative law judge ("ALJ") for decision. The Commission employs a "staff" comprised of engineers, lawyers and financial analysts (the "Staff") to review cases and make recommendations. The City is also permitted to make recommendations, as are other parties who are granted "intervenor" status. The ALJ may conduct a hearing, at which evidence is presented and witnesses for all parties may be cross-examined, after which a recommended decision is issued. Any party to the underlying proceeding, including a party granted intervenor status, may take exception to the recommended decision of the ALJ, in which case the matter is referred to the full Commission for decision.

Commission Regulatory Oversight of Rate Increases

Pursuant to Chapter 8, Article 11, Section 4, Chapter 8, Article 19, Section 11 and Chapter 24, Article 2, Section 4b of the Code of West Virginia, 1931, as amended, the Council of the City has the ability to establish rates for the combined waterworks and sewerage utility through the enactment of an ordinance, following a public hearing on such ordinance. In the enactment of such an ordinance, the City must comply with regulations of the Commission related to providing notice of such proposed rate increase. The Commission reviews the compliance of the City with such regulations and, if the Commission determines that the City has failed to satisfy the requirements of the regulations, the Commission may declare the rate ordinance invalid.

In such instance, the City would have no choice but to reenact the ordinance.

Commission Review of Proposed Rate Increases

Once enacted by the City, the proposed rates are subject to review by the Commission under the following scenarios:

1. More than 25% of the customers of the City sign a petition asking that the Commission review the rates proposed by the City; or

2. A customer of the City, which resides within the municipal boundaries of the City, alleges in writing that the rates being proposed by the City are "discriminatory"; or

3. A customer of the City, which resides outside of the municipal boundaries of the City, alleges in writing that the rates being proposed by the City are "discriminatory."

If any of the above occurs, the Commission then takes "jurisdiction" over the rates, initiating an investigation into the need for the proposed rates. Pursuant to Chapter 24, Article 2, Section 4b of the Code of West Virginia, 1931, as amended (the "PSC Act"), the rates enacted by the City are suspended for 120 days from the date the rates would otherwise have gone into effect (i.e., 45 days from enactment of the rate ordinance) and the new rates, if any, established by the Commission will go into effect at that end of the suspension period.

The Commission views the term "discrimination" to include more situations than those where a different rate is applied to resident and non-resident customers. The Supreme Court of Appeals of West Virginia previously affirmed the Commission's interpretation of the term "discrimination" when the court held that verified allegations, "which included the failure of the [municipality] to perform a class cost of service study and the discriminatory imposition of certain costs to resale customers, were sufficient to meet the requirements" found in the PSC Act. *City of Wheeling v. Pub. Serv. Comm'n of W. Va.*, 199 W. Va. 252, 257, 483 S.E.2d 835, 840 (1997).

The City has 5 water resale customers. Any one resale customer may allege "discrimination," causing the Commission to take jurisdiction over any proposed rate increase. Likewise, any one customer located within the City limits may allege "discrimination," also causing the Commission to take jurisdiction over any proposed rate ordinance.

Potential Delays for the Enactment of Rate Increases

Generally, the process of enacting a rate ordinance requires a minimum of two weeks (two readings by Council, separated by sufficient time to allow for the publication of a public hearing prior to the second reading, with the first publication for the public hearing being not less than 5 days prior to the date of the publication). Pursuant to the PSC Act and regulations of the Commission, the rates cannot go into effect any sooner than 45 days from the date of enactment, provided that an appeal of the proposed rates does not occur. In the event that the Commission takes jurisdiction of the rate increase, the Commission will establish a decision due date for the ALJ, that is generally 30 days prior to the end of the 120-day suspension period. If any of the parties, however, appeal the ALJ's recommended decision to the full Commission, the Commission will render its decision no later than the end of the 120-day suspension period. Additionally, a decision of the Commission may be appealed to the Supreme Court of Appeals of West Virginia, which has no statutory time frame within which to render a decision.

Consequently, the time period from the first reading of a rate ordinance to the increased rates being charged to the customers is a minimum of 60 days, and if the Commission takes jurisdiction, can exceed 180 days (Commission approved rates are billable during an appeal to the Supreme Court of Appeals of West Virginia). From the date the new rates begin to be charged, the City should realize revenues in approximately 45 to 60 days. Resale customers are required to obtain authorization from the Commission for any necessary increase in resale rates. Such increases are often granted by the Commission after the rates for the City go into effect, which means no assurance exists that resale customers will have sufficient revenues to begin paying the increased resale rates. The Commission can, and has on occasion, pre-approved resale rate increases in advance of the effective date of the new rates. As a result, resale customers may have the ability to begin charging the new resale rates of the City as soon as the rates go into effect.

Test Year

If the Commission takes jurisdiction over a municipality's rate ordinance as described above, the regulations of the Commission require a municipality to file "financial justification" for the proposed rate increase. This financial justification must be based on financial data from the most recent actual audited or finally closed twelve-month period, also known as the "test year." Events which occur outside the test year are not generally permitted in the rate adjustment. A determination at the end of any twelve-month period that a rate increase is necessary may not result in increased rates and collections for nine months or more from the end of that period.

The City has the option to proceed with a rate increase at any time during the course of the year, however, the financials examined by the Commission will be the financials for the most recent full fiscal year, not the 12-month period immediately preceding the date of the request.

Reliance on "Known and Measurable" Adjustments

When considering adjustments to the rates of a utility for costs occurring during the "test year," the Commission's regulations requires that the need for, and amount of, such adjustments be based on information that is "known and measurable." As a result, a change in revenues or expenses must, in most cases, have occurred in the test year being analyzed. If an increase in a cost, or a decline in revenue, is anticipated for the coming year, the Commission generally will not take such change into account for rate making purposes unless the change occurs during the test year.

As a result of the requirement that the support for adjustments be "known and measurable," the Commission will generally not allow multi-year rate increases to address anticipated inflation or drops in customer usage. Therefore, the City must initiate the rate ordinance process, and potential Commission review, whenever increased costs or decreased revenues necessitate a rate increase.

Emergency Rate Increase

The PSC Act permits utilities to request "emergency rates" if the utility is in "financial distress." Financial distress has been defined by the Commission to mean the utility is unable to pay operation and maintenance expenses and the principal and interest on the utility's debt obligations. Such rates, however, are subject to refund, in the event the Commission determines that the emergency rates, or any portion thereof, are not warranted. Generally, emergency rates CANNOT be obtained to meet coverage requirements in bond documents.

Treatment of Renewal and Replacement Funds

Most municipal combined waterworks and sewerage utilities in the State are required, pursuant to the terms of their outstanding bonds, to deposit 2.5% of gross revenues in a

"Renewal and Replacement Fund" or "Depreciation Account" each month. The purpose of this account is to provide monies for capital repairs and improvements, to construct extensions and to make up deficiencies in the reserve funds. In recent years, the Commission has taken the position that while the deposits should be made into the Account each month, such deposits are to be included in the calculation of the City's funds available for capital additions for the Fiscal Year. The Commission generally calculates funds available for capital additions by averaging capital additions for the last five years; provided, however, the Commission will consider a different calculation if the utility can demonstrate the need for a higher capital requirement. Consequently, the City is not permitted to accumulate funds to be used for unforeseen capital repairs and replacements, for needed extensions or to replenish draws from the reserve funds as the account is to be utilized each year as part of the ongoing capital expenditures for the system. The City's inability to maintain funds for emergencies increases its risk of utilizing revenues to pay for emergency repairs leaving insufficient funds to pay debt service on the Bonds.

Annual Municipal Audit

Pursuant to Chapter 6, Article 9 of the Code of West Virginia, 1931, as amended (the "Audit Act"), the State Auditor, as the chief inspector and supervisor of public offices (the "Chief Inspector") is charged with the responsibility of (1) formulating, prescribing and installing a system of accountability for all local units of government in West Virginia, including municipalities and (2) examining the financial affairs of every local government office or political subdivision and all boards, commissions, authorities, agencies or other offices. The City is a local government under the Audit Act. Accordingly, pursuant to Section 7 of the Audit Act, an audit of the City's finances must be accomplished by the Chief Inspector or any person appointed by him. The Chief Inspector has developed procedures which allow certain municipalities to obtain audit services from certain approved accounting firms. The City has been instructed by the Chief Auditor to procure audit services pursuant to such procedures. The procedures developed by the Chief Inspector to procure a CPA firm for the audit require written approval of all contracts and extensions to contracts by the Chief Inspector prior to the commencement of work on the audit by the CPA firm. Additionally, the Chief Inspector is authorized to unilaterally cancel any contract between the City and a CPA firm under certain conditions and elect to perform the audit. Accordingly, the actions or lack of actions of the Chief Inspector may adversely impact the ability of the selected CPA firm to timely complete the annual audited financial information required to be submitted to EMMA pursuant to the Continuing Disclosure Agreement. See "CONTINUING DISCLOSURE" herein. Additionally, the City has no power to require the Chief Inspector to take any action required under such procedures that would ensure the completion of the audit to meet the timely filing of such information.

RATINGS

Standard & Poor's Corporation ("S&P") has assigned a rating of "A" to the Series 2013 Bonds. Any desired explanation of the significance of such rating, should be obtained from S&P. Certain information and materials, including information and materials not included in this Official Statement, were furnished by the City to S&P. Generally, S&P bases its rating on the

information and materials so furnished and on its investigations, studies and assumptions. There is no assurance that this rating will continue for any period of time or that the rating will not be reviewed, downgraded or withdrawn entirely by the assigning rating agency, if in the judgment of such rating agency, circumstances so warrant. The Underwriter has undertaken no responsibility either to bring to the attention of the Owners of the Series 2013 Bonds any proposed revision or withdrawal of any rating of the Series 2013 Bonds or to oppose any such proposed revision or withdrawal. Any such downward revision or withdrawal of the rating may have an adverse effect upon the market price or value of the Series 2013 Bonds.

LITIGATION

There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body, now pending or, to the best knowledge of the City, threatened or affecting the City (or, to the City's knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would have a material adverse effect on the City's financial position or on the validity of the Series 2013 Bonds, the Ordinance, or any agreement to which the City is a party and which is a part of the issuance of the Series 2013 Bonds.

LEGAL MATTERS

The authorization and issuance of the Series 2013 Bonds are subject to the approval of legality by Steptoe & Johnson PLLC, Charleston, West Virginia, Bond Counsel. Bond Counsel will render an opinion in substantially the form set forth in Appendix D to this Official Statement. Certain legal matters will be passed upon for the City by its counsel, Rose Humway-Warmuth, Esq., Wheeling, West Virginia, and for the Underwriter by its counsel, Jackson Kelly PLLC, Charleston, West Virginia.

TAX MATTERS

Tax Exemption

In the opinion of Steptoe & Johnson PLLC, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming continued compliance of the City with certain covenants designed to meet the requirements of Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Series 2013 Bonds including any original issue discount properly allocable to an owner thereof is excludable from gross income for federal income tax purposes. Bond Counsel is also of the opinion that interest on the Series 2013 Bonds is not a specific item of tax preference under Section 57 of the Code for purposes of the federal individual or corporate alternative minimum taxes. Furthermore, Bond Counsel is of the opinion that interest on the Series 2013 Bonds is exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof. It should be noted, however, that interest on the Series 2013 Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for Federal income tax purposes of interest on obligations such as the Series 2013 Bonds. The City has covenanted to comply with certain covenants and restrictions designed to ensure that interest on the Series 2013 Bonds will not be includable in gross income of the beneficial owners thereof (the "Beneficial Owners") for federal income tax purposes. Failure to comply with these covenants and restrictions could result in interest on the Series 2013 Bonds being includable in income for federal income tax purposes and such inclusion could be required retroactively to the date of issuance of the Series 2013 Bonds. The opinion of Bond Counsel assumes compliance with these covenants and restrictions. However, Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Series 2013 Bonds may adversely affect the tax status of the interest on the Series 2013 Bonds.

Certain requirements and procedures contained or referred to in the Series 2013 Bond documents and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Series 2013 Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Series 2013 Bonds or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Steptoe & Johnson, PLLC.

Although Bond Counsel is of the opinion that interest on the Series 2013 Bonds will be excludable from gross income for federal and West Virginia income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Series 2013 Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liabilities. The nature and extent of these other tax consequences may depend upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any tax consequences other than what is set forth in its opinion and each Beneficial Owner or potential Beneficial Owner is urged to consult with tax counsel with respect to the effects of purchasing, holding or disposing the Series 2013 Bonds on the tax liabilities of the individual or entity.

[Original Issue Discount/Original Issue Premium

The original issue discount in the selling price of Series 2013 Bonds maturing on June 1, 20__, through June 1, 20__, and June 1, 20__ (collectively, the "Discount Bonds"), to the extent properly allocable to each owner of such Discount Bonds, is excluded from gross income for federal income tax purposes with respect to such owner. The original issue discount is the excess of the stated redemption price at maturity of such Discount Bond over its initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of the Discount Bonds of such maturity were sold.

Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Discount Bond during any accrual period generally equals (i) the issue price of such Discount Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (iii) any

interest payable on such Discount Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in such Discount Bond.

Purchasers of any Discount Bond at any original issue discount should consult their tax advisors regarding the determination and treatment of original issue discount for federal income tax purposes, and with respect to state and local tax consequences of owning such Discount Bonds.

The Series 2013 Bonds maturing on June 1, 20__, through June 1, 20__, and June 1, 20__ (collectively, the "OIP Bonds"), will be sold with an original issue premium ("OIP"). The original issue premium will be equal to the excess of a holder's tax basis in the OIP Bonds over the amount payable at maturity, or in the case of OIP Bonds subject to redemption, the amount payable on the redemption date. Under current law, the original issue premium for OIP Bonds must be amortized on an annual basis by the holder thereof. The amount of original issue premium amortized each year will not be deductible for federal income tax purposes. Further, Section 1016 of the Code requires that the amount of annual amortization for the OIP Bonds be deducted from the holder's tax basis in such OIP Bonds. This reduction in a holder's tax basis will affect the amount of capital gain or loss to be recognized by the holder when the OIP Bonds are sold or redeemed. Owners of OIP Bonds should consult their tax advisors with respect to the determination and treatment of amortizable original issue premium for federal income tax purposes, and with respect to the state and local tax consequences of owning such OIP Bonds.

The opinions described above are subject to the condition that the City complies on a continuing basis with all requirements of the Code, and regulations thereunder that must be satisfied subsequent to issuance of the Series 2013 Bonds for interest thereon to be or continue to be excluded from gross income for federal income tax purposes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements could cause the interest on the Series 2013 Bonds to be included in the gross income of the recipients thereof for purposes of federal income taxation retroactively to the date of issuance of the Series 2013 Bonds.

The accrual or receipt of the interest on the Series 2013 Bonds may otherwise affect the federal income tax liability of certain recipients. The extent of these and other consequences will depend upon the recipient's particular tax status or other items of income or deductions. Bond Counsel expresses no opinion regarding any such consequences, and investors should consult their tax advisors regarding the tax consequences of purchasing or holding the Series 2013 Bonds.]

UNDERWRITING

Piper Jaffray & Co., as Underwriter, has agreed, subject to certain conditions, to purchase the Series 2013 Bonds from the City at an aggregate purchase price (net of accrued interest) of $_____ (par less Underwriter's discount of $_____ [plus/less original issue premium/discount] of $_____). The Underwriter will be obligated to purchase all of the

Series 2013 Bonds if any are purchased. The Series 2013 Bonds may be offered and sold to certain dealers (including investment trusts, certain of which may be sponsored or managed by the Underwriter) at prices lower than the public offering price stated on the cover page of this Official Statement, and such public offering price also may be changed without prior notice, from time to time, by the Underwriter.

Piper Jaffray & Co. and Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation, entered into an agreement (the "Agreement") which enables Pershing LLC to distribute certain new issue municipal securities underwritten by or allocated to Piper Jaffray & Co., including the Series 2013 Bonds. Under the Agreement, Piper Jaffray & Co. will share with Pershing LLC a portion of the fee or commission paid to Piper Jaffray & Co. Piper Jaffray & Co. has also entered into a distribution agreement ("Distribution Agreement") with Charles Schwab & Co., Inc. ("CS&Co") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Series 2013 Bonds from Piper Jaffray & Co. at the original issue price less a negotiated portion of the selling concession applicable to any Series 2013 Bonds that CS&Co. sells.

FINANCIAL STATEMENTS OF THE CITY

Included herein as Appendix C are the audited financial statements (and reports with respect thereto) of the City as of June 30, 2012, prepared by Bodkin, Wilson & Kozicki PLLC, Wheeling, West Virginia, certified public accountants. The financial statements have been included herein in reliance upon the reports of the preparers thereof as experts in auditing and accounting. The City has obtained the consent of Bodkin, Wilson & Kozicki PLLC to include the audited financial statements in the Official Statement.

CONTINUING DISCLOSURE

The City has agreed to an undertaking (the "Undertaking") for the benefit of the Registered Owners of the Series 2013 Bonds to provide certain financial and operating information (the "Annual Information") not later than 300 days following the end of fiscal year 2013 and each fiscal future year, and to provide the Annual Information to the Electronic Municipal Markets Access System ("EMMA"), as defined in the Continuing Disclosure Agreement delivered by the City at closing, the form of which is included in Appendix G hereto, for delivery to EMMA and to provide notice of the occurrence of the enumerated events to EMMA.

The City timely filed its Annual Information with Disclosure USA for FY 2008 and with EMMA for FY 2009, FY 2010 and FY 2012. The FY 2011 Annual Information was not filed until July 30, 2012 due to administrative oversight.

This continuing disclosure obligation is being undertaken by the City to assist the Underwriter in complying with Rule 15c2-12 promulgated by the SEC. The City has agreed to give notice in a timely manner to EMMA. Wesbanco Bank, Inc. has and will continue to serve as the Dissemination Agent for the City. any failure to supply the requested information.

However, any such failure will not constitute a default under the terms of the Series 2013 Bonds. Registered Owners may contact the City Manager of the City at City County Building, Wheeling, West Virginia 26003, (304) 234-3617 (rherron@wheelingwv.gov) for more information.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of such statements will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Series 2013 Bonds.

Copies of the Ordinance, the Supplemental Resolution, the Undertaking, and other applicable documents may be obtained from the City at the following address:

The City of Wheeling
City County Building
Wheeling, West Virginia 26003
(304) 234-3617
Attention: City Manager

or, during the period of offering the Series 2013 Bonds, from the Underwriter. Ongoing financial information may be obtained from the City at the address set forth above.

The execution and distribution of this Official Statement has been duly authorized by the City.

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THE CITY OF WHEELING, WEST VIRGINIA

By:_____
Mayor

By: _____
City Manager

Dated: _____, 2013

Appendix A

Economic and Demographic Data
Ohio County, West Virginia

County: The County is governed by, and generally acts through, The Ohio County Commission. The Commissioners of the County Commission are elected on a countywide basis.

County Commissioners:	Tim McCormick, President Orphy Klempa Randy Wharton
County Administrator:	Greg Stewart

City: The City of Wheeling is the County Seat of Ohio County. The City is located in the Northern Panhandle of West Virginia and is 128 miles from the City of Charleston (State Capitol), West Virginia, 55 miles from Pittsburgh, Pennsylvania, 120 miles from Columbus, Ohio, and 130 miles from Cleveland, Ohio.

City Council:	Gloria Delbrugge Ken Imer Robert Henry David Miller Don Atkinson Eugene T. Fahey
City Mayor:	Andrew McKenzie

Wheeling MSA: The City of Wheeling is the largest city in the Wheeling-Belmont County (Ohio) Metropolitan Statistical Area that includes Ohio and Marshall Counties, WV, and Belmont County, OH.

Population

Year	City of Wheeling	Wheeling MSA	Ohio County	West Virginia	United States
2011	28,355	147,197	44,246	1,855,364	311,591,917
2010	28,506	147,900	44,478	1,854,368	309,330,219
2009	28,805	147,910	44,355	1,847,775	306,771,529
2008	28,864	148,073	44,469	1,840,310	304,093,966
2007	29,025	148,727	44,714	1,834,052	301,231,207

Source: U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Census Bureau

Per Capita Personal Income

County	2007	2011	County Rank in State in 2011
United States	$39,506	$41,560	---
West Virginia	$29,497	$23,403	---
Wheeling MSA	$29,824	$34,406	---
Ohio County	$34,890	$37,969	5

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Average Annual Unemployment Rates (%) – Not Seasonally Adjusted

Year	Wheeling MSA	Ohio County	West Virginia	U.S.
2012	7.5	6.8	7.3	8.1
2011	8.6	8.0	7.8	8.9
2010	9.8	9.3	8.4	9.6
2009	8.7	7.8	7.6	9.3
2008	5.2	4.1	4.2	5.8
2007	4.9	3.8	4.2	4.6

Source: U.S. Department of Labor, Bureau of Labor Statistics

Largest Employers in Ohio County (March 2012)

Employer
1. Wheeling Hospital, Inc.
2. Ohio County Board of Education
3. Cabela's Wholesale , Inc.
4. Ohio Valley Medical Center, Inc.
5. Wheeling Park Commission
6. Wheeling Island Gaming, Inc.
7. Wesbanco Bank, Inc.
8. City of Wheeling
9. West Liberty State College
10. Wheeling Jesuit University, Inc.

Source: WORKFORCE West Virginia

Average Employment and Average Weekly and Annual Wages

	Average Employment		Average Weekly Wage		Average Annual Wage	
	2007	2011	2007	2011	2007	2011
Ohio County	29,031	29,310	$590.60	$641.96	$30,711	$33,382
West Virginia	708,313	701,871	$653.87	$751.77	$34,001	$39,092

Source: WORKFORCE West Virginia

Average Annual Employment for Ohio County by Industry

Industry	2011
Construction	854
Manufacturing	1,437
Trade, Transportation & Utilities	5,752
Information	422
Financial Activities	1,368
Professional & Business Services	3,477
Education & Health Services	6,680
Leisure & Hospitality	3,906
Other	1,404
Government	4,010
TOTAL	29,310

Source: WORKFORCE West Virginia

Total Wages ($)

Year	Ohio County	West Virginia
2011	978,414,709	27,437,330,374
2010	959,563,963	26,100,976,332
2009	959,412,861	25,528,702,813
2008	962,214,772	25,534,204,980
2007	891,579,527	24,083,126,318

Source: WORKFORCE West Virginia

Wages Per Industry for Ohio County (2011) ($)

Industry	Total Wages	Average Weekly Wage
Construction	35,736,341	804.73
Manufacturing	51,867,023	694.12
Trade, Transportation & Utilities	163,727,852	547.40
Information	29,826,241	1,359.19
Financial Activities	56,845,698	799.12
Professional & Business Services	132,220,495	731.29
Education & Health Services	262,253,324	754.98
Leisure and Hospitality	64,049,504	315.35
Other Services	41,502,569	488.71
Government	140,385,662	673.25
TOTAL	978,414,709	641.96

Source: WORKFORCE West Virginia

Selected City of Wheeling Demographic Information

History: Colonel Ebenezer Zane founded Wheeling in 1769. Wheeling was established as a town in 1795 and incorporated in 1836 through a Charter granted by the Virginia Assembly. The first convention of the delegates from the loyal counties of northwestern Virginia met in Wheeling on May 13, 1861, and inaugurated the movement which finally resulted in the admission of West Virginia into the Union as a state on June 20, 1863. Wheeling, West Virginia, was the capital of the newly formed state from 1863 to 1870 when it was moved to Charleston. In 1875, the seat of the government was brought back to Wheeling and remained until 1885, again being transferred to Charleston where it has since remained.

Education: Public and Private Schools:

Ohio County Schools
Wheeling Catholic Central
Linsly School

Higher Education Institutions :

West Virginia Business College
West Virginia Northern Community College
West Liberty University
Wheeling Jesuit University
Bethany College

Transportation: Ohio Valley Regional Transportation Authority
East Ohio Regional Transportation Authority

Healthcare: Doctor's Urgent Care
East Seals West Virginia
MedExpress
Ohio Valley Medical Center
Peterson Rehabilitation Hospital and Geriatric Center
Wheeling Hospital
Wheeling Clinic

Community: Ohio County Public Library
WesBancoArena.com
CapitolTheatreWheeling.com
WheelingCVB.com
WheelingSymphony.org
Oglebay Institute
Oglebay-Resort.com
Children's Museum of the Ohio Valley
Centre Market
Wheeling Nailers (East Coast Hockey League)

Source: City of Wheeling

APPENDIX B

THE SYSTEM

DESCRIPTION OF THE COMBINED WATERWORKS AND SEWERAGE SYSTEM

The City of Wheeling commenced the operation of a public water system over 170 years ago and has provided a system of storm and sanitary sewers since the late 1800's. The City has always operated its water system. However, beginning in 1954 at the time of construction of the City's first sewage treatment plant, until 1982, the sewerage system was operated, maintained and controlled by a Sanitary Board, independent of City Council, pursuant to Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended. In 1982, the City terminated the Sanitary Board and transferred control of the Sewerage System to the City under the jurisdiction of the Water Pollution Control Department, and separate from the Water Department. The description of the operations and financial affairs of each which follows this section is separate and distinct, as each continues to be operated on an individual basis.

Bodkin, Wilson & Kozicki, PLLC (the "Auditor"), of Wheeling, West Virginia, is the Auditor for the City and, as such, has prepared audited Annual Financial Reports for fiscal years ending June 30, 2003 thru 2012 (the "Audits"). Certain data contained in the Audits has been regularly summarized in the following sections of this Official Statement and attributed when so summarized; data not attributed has been provided by the City in one or more reports, studies or certifications, including both Annual Reports filed with the Public Service Commission and the "Consulting Engineer's Annual Report for Fiscal Year 2012" prepared by KLH Engineers, Inc. of Pittsburgh, Pennsylvania. Although the current Engineer's Report is not yet available, the City has determined that no events have occurred or circumstances exist which represent a material change in the affairs or operations of the Combined Waterworks and Sewerage System from the state of such affairs or circumstances at the time of the preparation of the 2012 Report. For additional and more complete information, reference should be made to the City itself or to the Audits, the 2012 Engineer's Report, or the current FY Engineer's Report (when completed and available), copies of which can be obtained from the City.

Notwithstanding the individual operations of each Department, the Series 2006 A Bonds (together with the City's Series 2005 A, Series 2010 A and Series 2010 B Bonds, the "Prior Bonds") have a first, equal and pro rata lien on all the Gross Revenues of the Combined Waterworks and Sewerage System, so that excess revenues from one portion of the Combined System may be used to correct a deficiency in the other portion. The Series 2006 A Bonds are limited special revenue obligations of the City payable solely from the revenues and other income derived from all services, properties and facilities of the Combined Waterworks and Sewerage System. The Series 2006 A Bonds are not general obligations of the City, and the holders or owners thereof shall have no right to have excises or taxes levied by the City, the State of West Virginia or any political subdivision thereof for the payment of the principal, premium, if any, or interest on the Bonds. (See "Summary of Certain Provisions of the Bond Ordinance – System Revenues; Funds and Accounts" herein).

NEITHER THE GENERAL CREDIT OF THE CITY OF WHEELING NOR THAT OF THE STATE OF WEST VIRGINIA OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS AND THE OWNERS AND HOLDERS THEREOF ARE GIVEN NO RIGHT TO HAVE ANY EXCISES OR TAXES LEVIED BY THE LEGISLATURE OF THE STATE OF WEST VIRGINIA, THE CITY COUNCIL OF THE CITY OF WHEELING OR THE TAXING AUTHORITY OF ANY OTHER POLITICAL SUBDIVISION OF THE STATE FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS.

THE WATERWORKS SYSTEM

Description

A. Supply and Treatment

The City's first system consisted of a pumping station along the Ohio River near 8th Street, pumping directly from the Ohio River into a reservoir and distribution system without further treatment. The existing Wheeling Water Treatment Plant was constructed in 1924. This facility, located in the Warwood area of Wheeling, draws water from the Ohio River. The plant underwent a major upgrade in 1964, and solids handling facilities were added in 1979 to conform to United States Environmental Protection Agency requirements. In 1989, the City began implementing a major capital improvements program, some of which was funded from current revenues, and the bulk of which was financed from proceeds of certain Prior Bonds. At the water treatment plant, such improvements included, among others, the repair of concrete settling basins, the installation of liquid hydrofluosilic acid and liquid ferric chloride coagulant feeder systems to replace dry chemical feeders, the construction of a new chemical feed building, the repair and replacement of assorted valves, pumps and similar equipment and the addition of a SCADA (computer control) system to monitor and control treatment processes.

The treatment processes at the Wheeling Water Treatment Plant consist of raw water intake to one of three low service, variable-speed, pumps which deliver the water to pre-sedimentation basins; coagulation with iron salts (usually ferric chloride); flocculation and sedimentation; rapid sand filtration; disinfection with chlorine; taste and odor control with activated carbon; a clearwell and high service pumps. Potassium permanganate can also be added to control taste, odor and to help control zebra mussels. The solids handling facilities dewater approximately 1000 tons of sludge annually.

B. Storage Tanks

The names and capacities of the City of Wheeling storage facilities are:

Warwood	1,000,000	gal.
Mt. Wood (3 tanks)	4,000,000	gal.
Clator	2,000,000	gal.
Clearview	150,000	gal.
Grandview Reservoir (2 tanks)	3,426,000	gal.
Grandview Tank	263,000	gal.
Boggs Hill	500,000	gal.
Mozart (2)	200,000	gal.
Stackyard	238,000	gal.
Forest Hills**	0	gal.
Howard Hills (Oakmont)	200,000	gal.
Springdale	810,000	gal.
Patterson Reservoir	593,000	gal.
Oglebay	1,000,000	gal.
Leewood**	0	gal.
Washington Farms	50,000	gal.
Total Storage Facilities	14,430,000	gal.

**Not in service

C. Distribution System

The distribution system includes over 189 miles of pipelines and 10 booster stations, capable of delivering up to 12 million gallons per day ("MGD"). This system provides water to a variety of businesses, two major hospital complexes, residents of the City, and residents of five (5) communities outside the City's corporate boundaries. The system has experienced steady development throughout its history with a major renovation campaign in the 1960's and in 1992 as part of the capital improvement program. Today system growth has continued through the construction of new subdivisions.

Various distribution zones are organized throughout the service area topography to provide customers with adequate pressure. These areas are generally defined by booster stations and their individual distribution systems. These areas are:

a. Oglebay Park
b. Bethlehem
c. Mozart
d. Stackyard
e. Forest Hills
f. Howard Hills (Oakmont)
g. Elm Grove
h. Greggsville

i. Clearview
j. Grandview
Low Service (all remaining areas)

D. Alternate Water Supply

In 1992, as part of the capital improvement program, the City installed vertical wells along the Ohio River near the treatment plant in order to provide an alternate water source, it is estimated these wells can provide approximately 50% of the City's average daily usage, in event of an emergency condition with the City's river supply.

Management (As of February 18, 2013)

Superintendent – Mr. David M. Nickerson

All the Divisions operate under the direct supervision of Superintendent, Mr. David M. Nickerson. As Superintendent, Mr. Nickerson provides executive and technical leadership, and directs and manages the operations of the complete water system. His duties include budget preparation, rate case studies, equipment purchase, and construction inspection. Mr. Nickerson began his employment with the City as a utility worker in the Distribution Division in 1985. He moved to Utility Lead Worker in 1988. In 2003 he transferred to the Water Treatment Plant as a mechanic and was promoted to Maintenance Foreman in 2009. In 2012 Mr. Nickerson was appointed Acting Plant Manager of the Water Treatment Plant, in the absence of Mr. Frank Blaskovich due to medical issues. On February 18, 2013 he was appointed Water Superintendent after the retirement of Mr. William Huggins.

Acting Plant Manager – Lori Siburt

Ms. Siburt was hired by the Wheeling Water Treatment Plant in May 2002 as a Lab Technician and Water Operator. She came to the city with a background in water and wastewater and 15 years of experience as a lab technician. She is a Class IV Water Operator certified with the state of West Virginia. She is certified with the WV Microbiology Lab for bacteriological testing and is currently completing her B.S. in Chemistry at Wheeling Jesuit University. She was promoted to Senior Lab Technician in 2012 and to Acting Plant Manager in 2013. She works closely with ORSANCO regarding Ohio River quality issues and is also a member of the American Water Works Association.

Employees and Payroll

As of June 30, 2012, the City had 58 employees engaged in Waterworks System tasks. The Fiscal Year 2012 payroll was budgeted at $2,624,985.

Operations

The following table indicates the annual water consumption of each customer class, as shown in the City's records for the fiscal year ended June 30, 2012. The Waterworks System pumped an average of 7.59 MGD in 2012, with daily averages during the peak month of June 2012 at 7.89 MGD.

Customer Class	Gallons Sold/ Billed (000)	Number of Customers
Residential	566,570	11,824
Commercial	529,437	1,392
Industrial	11,922	20
Resale	1,723,442	13,341
Unmetered	0	0
Unaccounted Loss	643,207	N/A

Water loss in the system accounted for nearly 25% of all water distributed; this loss is attributed to both leakage from old pipes within the system and from faulty, aged valves and meters at sundry locations. Pursuant to the issue of the Series 1997 Bonds, the PSC ordered the City to establish an escrow account of $0.025 per thousand gallons billed; funds from this account are to be used for the purpose of reducing said water loss. Since 1997, the City has conducted a yearly leak detection survey (covering a 4th section of the City each year) in an effort to find and repair leaks, and continues with its program of renewing galvanized mains and replacing meters. The completion of the Project will address most of these issues.

Average Number of Water Customers

Fiscal Year	2011/2012	2010/2011	2009/2010	2008/2009	2007/2008
	13,240	13,250	13,614	13,697	13,795

The City provides water to four neighboring communities and the Ohio County Public Service District. These four communities are served through master meters. Each community has one master meter, with the exception of the Ohio County Public Service District which receives water from the City in five different locations. The communities and their consumption and revenues for the fiscal year ended June 30, 2012, are:

	Annual Consumption (000 gallon)	Annual Revenue
1. Bethlehem	87,186	$166,154
2. Triadelphia	51,589	103,825
3. Valley Grove	22,438	44,710
4. West Alexander (Pennsylvania)	20,249	40,428
5. Ohio County PSD	432,691*	1,014,121**
TOTAL	614,153	1,369,248

* Represents 76% of the Water System's total consumption for fiscal year 2012.
**Represents 21% of the Water System's total water operating revenues for fiscal year 2012.

The ten largest users (not including resale to neighboring communities) and their billings for the fiscal year 2012 were:

		Annual Consumption (1,000 Gallons)	Annual Revenue
1.	Oglebay Park (multiple)	60,387	$179,939.09
2.	Wheeling Hospital	57,123	116,242.74
3.	Ohio Valley Hospital	47,274	100,576.54
4.	Ziegenfelder Ice Cream	35,856	79,634.69
5.	Wheeling Downs (multiple)	28,685	68,402.22
6.	Wheeling Linen (35%)	14,295	35,224.45
7.	Board of Education	12,346	49,152.85
8.	Swisher International	8,371	28,429.61
9.	North Park Associates	4,875	16,533.29
10.	Centre Foundry	2,058	8,007.48
TOTAL		271,270	$682,142.96

Rates

The rates and connection fees charged to users of the Waterworks System are detailed in the following tables. Water usage (including meter size minimum) rates in the first two tables became effective on 4/2/10, following Public Service Commission approval, and represent approximately 7% increase from previous rates.

Rates (Monthly)

First 1,000 gallons used per month	$	7.46 per 1,000 gallons
Next 499,000 gallons used per month		3.422 per 1,000 gallons
All over 500,000 gallons used per month		1.763 per 1,000 gallons

Minimum Charge

The following amounts represent the minimum monthly charge, according to the size of the meter installed:

5/8-inch meter	$	7.46	per month
3/4-inch meter		11.18	per month
1-inch meter		18.64	per month
1½ -inch meter		37.28	per month
2-inch meter		59.64	per month
3-inch meter		111.83	per month
4-inch meter		186.38	per month
6-inch meter		372.75	per month
8-inch meter		596.40	per month

Service Connection Charge: $50/Water and $50/Sewer deposit; $25 reconnect fee

Size of Tap	Charge
5/8-inch and 3/4-inch	$315.00
1-inch and larger	$420.00

Fire Service Lines

2-inch or smaller	$	60.00	per year
3-inch		96.00	per year
4-inch		156.00	per year
6-inch		324.00	per year
8-inch		564.00	per year
10-inch		900.00	per year

If unmetered, an additional $90.00 per year.

Hydrants

$156.00 per hydrant per year.

Average Monthly Rates

Based upon current rates, the average user of the Waterworks System pays the average monthly amounts set forth in the table which follows:

	Wheeling	Ohio Co. PSD	Valley Grove	Triadelphia	W. Alexander
Gals/Mo.					
Resid.					
4,500	$19.44	$97,511.17	$3,725.64	$8,651.90	$3,369.98
Commer.		Gal.	Gal.	Gal.	Gal.
50,000	175.14	31,223,419	1,896	4,403	1,715
Indust.					
500,000	1,715.04				

Upcoming Projects: Water

Included in this bond issue are funds for engineering design of a new water treatment plant. Construction of a new plant is estimated at $30.5 million and proposed for 2013 and 2014. In addition, the City will continue to replace distribution lines. The City of Wheeling provides water to the Ohio County Public Service District ("PSD") that services the Highlands development. Discussions between the City and PSD have begun regarding a new transmission main capable of producing up to 2,000,000 gallons of water a day, the cost of which will be at the County's expense.

*OCPSD Highlands transmission main is now in service.

THE WASTEWATER COLLECTION AND TREATMENT SYSTEM

Description:

The City's Wastewater Collection and Treatment System began as a collection of combined wastewater and storm drain sewers built in the late 1800's and on a continuing basis into the 1950's. Some 154 miles of 6-inch to 24-inch clay pipes remain the primary collection system of the City. However, beginning in the 1950's, the City began to construct a series of concrete interceptors, commenced construction of its first treatment plant in 1954, and brought a new plant, to provide primary treatment, on-line in 1960. In 1972, the City began to plan an upgrade of this plant to meet higher environmental standards. At the same time, improvements

were made to the Warwood Pump Station and seven municipal metering stations. The new secondary treatment plant began operations in 1983. The collection system now contains approximately 300 miles of sewers.

Except for its northern-most reaches, nearly all of Ohio County is within the same drainage basin that drains toward Wheeling Creek and thence to the Ohio River. The wastewater treatment plant is located approximately 1/2 mile downstream of the junction of these two major water courses and is, therefore, in an excellent location to serve most of Ohio County. New trunk sewers built in the mid-1980's extended the System from its base of the City of Wheeling and the Communities of Bethlehem, Triadelphia, Benwood and Clearview into the surrounding Ohio County. Thirteen (13) lift stations and seventeen (17) metering stations operate along the System.

As trunk sewers continue to be constructed outside the City limits, a greater percentage of the population within the Wheeling Creek drainage basin will be served by the central Wheeling wastewater treatment plant.

The secondary wastewater treatment plant, as constructed in1983, was designed to handle a population of approximately 60,000 people and an average flow of 10 million gallons per day ("MGD"). However, the average daily flow is 7.6 MGD, serving a sewered population of approximately 57,000. Hydraulically, the plant can handle a flow of 35 MGD, with 10 MGD receiving secondary treatment.

The treatment plant is a secondary treatment facility consisting of the following wastewater treatment units: bar screens, raw sewage pumps aerated grit chambers, primary clarifiers, complete mix activated sludge aeration tanks, secondary clarifiers, ultraviolet disinfecting, chlorine contact tanks and a Parshall flume.

Sludge handling consists of the following collection and primary and secondary treatment methods: primary sludge pumping and degritting, waste sludge pumping, primary and secondary scum pumping, sludge thickening, anaerobic sludge digestion, polymer conditioning and sludge dewatering via centrifuges.

Prior to entering the treatment plant, wastewater first flows through a controlled diversion structure located near the Ohio River. Excessive flow may travel through a horizontal self-cleaning bar screen and into a 48-inch pipe that discharges into the Ohio River.

Raw wastewater entering the plant through a 72" transmission main splits through two pneumatically-operated sluice gates that limit excessive flow into the plant. Flow next passes through the two mechanical bar screens which remove coarse materials. These screenings are hauled to a landfill site. After passing through an additional set of hydraulically-operated sluice gates, the wastewater enters the raw sewage wet well.

From the wet well, the four, variable speed, non-clog raw sewage pumps lift the wastewater to the aerated grit chambers. These pumps utilize a liquid rheostat flow matching

system capable of varying each pump up to 17 MGD or up to 35 MGD total. The grit chambers are designed to remove grit consisting of sand, gravel, and other heavy inert inorganic particles in order to protect plant equipment from abrasion and increased wear. The grit is removed from the tanks and landfilled.

The degritted wastewater flows into the two primary settling tanks for the removal of sludge (settleable solids) and scum (floatable solids) from the wastewater flow, thereby reducing the load of solids to the activated sludge process. The primary treatment operations can always be maintained by emergency power generation equipment. The primary effluent from the overflow of the settling tanks flows to the activated sludge system. Flows in excess of 10 MGD are bypassed around the secondary treatment system to the chlorine contact tanks.

In the activated sludge process, an environment is created to promote the growth of biological life in a series of aeration tanks. These microorganisms feed upon and greatly reduce the amount of organic matter in the wastewater. Diffused air is added to satisfy the oxygen requirements of the biomass and to provide agitation to maintain the mixture in complete suspension. Flexibility has been provided to operate the aeration system in three different modes – conventional aeration, contact stabilization, and step feed aeration – to allow operation in the most effective manner.

Following aeration, the wastewater flows to the four final settling tanks or clarifiers where the microorganisms and suspended solids are removed by gravity settling. A portion of the settled activated sludges returned to the aeration tanks as return activated sludge. This sludge contains the active microorganisms which are returned to the system to feed on the incoming organics. Because the organisms grow and reproduce, excess sludge (waste activated sludge) must be removed from the system by being pumped from the settling tanks to either the primary settling tanks or the sludge thickeners.

Clarified final effluent flows into the final effluent channel and the ultraviolet disinfection and/or the chlorine contact tanks for disinfection. The flow finally passes through a Parshall flume, which measures the total plant flow, and is then discharged to the Ohio River. The wastewater treatment plant constitutes a Federal and State approved Pretreatment Program, with four significant industrial users. Effluent quality is analyzed by laboratory technicians who are certified by the West Virginia Department of Natural Resources. All treatment plant operations and collection division personnel are also state certified.

Management – Daniel P. Villani - Superintendent

As Superintendent, Mr. Villani is responsible for the continuing management and operation of the Wastewater Treatment and Collection System, supervising over forty (40) employees within three (3) divisions: collection, operation, and maintenance. Mr. Villani's duties range from plant management, equipment maintenance and effluent testing to budget preparation.

The City of Wheeling's Water Pollution Control Department has received numerous distinctions, including the Operations and Maintenance Award of Excellence from the West Virginia Department of Environmental Protection and a first place safety award from the West Virginia Water Environment Association.

Mr. Villani began his employment with the City of Wheeling in 1976. He became Head Operator in 1977, Operations Supervisor in 1979, and achieved his current position as Superintendent in 2013.

Mr. Villani holds a Class IV Wastewater Operator's certification, Class 1-C Collection System Certification, and is a certified Wastewater Treatment Laboratory Technician. He has attended classes at both West Liberty University and West Virginia Northern Community College, graduating from WVNCC in 1987 with an A.S. and an A.A.S. in Business Administration. He has also continued his education through various seminars and training classes.

Employees and Payroll

As of June 30, 2012, the City had 39 employees engaged in Sewerage System tasks. The fiscal year 2012 payroll is budgeted at $2,129,808.

Operations

The Wastewater Collection and Treatment System treated an average of 7.6 MGD during fiscal year 2012, with daily averages during the peak month of Jan. at 19.4 MGD. The effluent biological demand (BOD) averaged12 milligrams per liter with an overall efficiency of 94.7 percent for the year. Suspended solids in the effluent averaged 10 milligrams per liter with an overall removal efficiency of 94.9 percent for the year.

The City currently operates under NPDES (WV0023230) permit issued by the West Virginia Department of Environmental Protection, Water Resources Section. The permit was issued 6/18/10 and has an effective date of 7/18/10 and expires 6/17/15.

Within this new tiered permit, the secondary treatment flow limits will be 10 MGD with a total of 25 MGD receiving partial treatment to positively influence maximum treatment capacity of plant and reduce CSO effects to the receiving streams. The permit establishes traditional effluent limits on Ph, BOD, TSS, fecal coliform and ammonia with new limits on chlorine residual. The permit also established new requirements with a time schedule for compliance relating to CSO minimization and pretreatment program requirements.

The following table sets forth the System's treatment experience according to customer classes for fiscal year 2012:

	Average Number of Sewer Customers				
Fiscal Year	2011/2012	2010/2011	2009/2010	2008/2009	2007/2008
	12,628	12,645	12,723	12,826	12,956

Customer Class	Gallons Billed (000)	Number of Customers
Residential	537,199	11,274
Commercial	393,672	1,333
Industrial	9,675	16
Outside Communities	356,988	5

The City provides wastewater collection and treatment service under long-term contracts to four neighboring communities and the Ohio County Public Service District. Rates for such outside municipal corporations are set according to billing formulas approved by the United States Environmental Protection Agency. The communities, and their discharge and revenues for the fiscal year ended June 30, 2012 are:

	Avg MGD	Annual Revenues
Benwood	.13	$87,848
Bethlehem (5 connections)	.21	140,136
Clearview	.04	30,694
Triadelphia	.14	93,962
Ohio County Public Serv. Dist. (8 connections)	.46	310,492
	*	**

* Represents 27.5% of the System's total discharge for fiscal year 2012.
**Represents 13.6% of the System's total operating revenues for fiscal year 2012.

The ten largest users (not considering collection and treatment provided to neighboring communities) and their billings for the fiscal year 2012 were:

		Annual Discharge (000)	Annual Revenue
1.	Ohio Valley Hospital	46,748	$98,552.55
2.	Wheeling Downs (Multiple)	28,697	64,557.14
3.	Ziegenfelder Ice Cream	28,520	63,830.94
4.	North Park Landfill	24,724	54,902.84
5.	Wheeling Hospital	24,378	52,410.53
6.	Liquid Assets Disposal	17,404	38,421.89
7.	Oglebay Park (Multiple)	16,704	39,557.21
8.	Wheeling Housing Authority	16,351	50,328.82
9.	Water Treatment Plant	12,633	31,146.11
10.	Wheeling Linen (35% discount)	9,297	22,023.66
	TOTAL	225,456	$515,731.69

Rates

The rates charged to users of the Sewerage System inside the City are detailed in the following table. These rates became effective in September 2010, following Public Service Commission approval, and represent a 1% increase from previous rates.

Monthly Usage Gallons	Charge per 1,000 Gallons
First 10,000 used per month	$6.15
Next 90,000 used per month	5.10
Next 100,000 used per month	3.63
Over 200,000 used per month	2.46

The Minimum Metered Rate is $9.77 per month; an Unmetered Flat Rate of $27.68 is also used. A Tap Inspection Fee of $25.00 is charged to new customers at the time of connection to the Sewerage System.

Based upon current sewer rates in the city, the average monthly residential sewer bill will be approximately $27.68 for 4,500 gallons of water used in 2014.

Billing and Collection Experience

WATER

YEAR	BILLED	COLLECTED	%
2009	$5,171,430	$4,291,137	82.98%
2010	5,338,646	4,240,592	79.98%
2011	5,829,889	4,286,862	73.53%
2012	5,928,824	4,236,431	71.45%

SEWER

YEAR	BILLED	COLLECTED	%
2009	$3,729,747	$4,660,221	124.9%
2010	4,688,986	5,586,644	119.1%
2011	4,438,211	5,059,445	113.9%
2012	4,234,473	4,867,682	114.9%

Billing and Collection Procedures

All bills are issued, collected and processed by the City on a monthly basis and are due twenty (20) days after billing. Once an account is determined to be delinquent for two successive months, an arrears notice is sent advising that if the bill remains unpaid for five (5) days, service will be terminated. Upon the expiration of said period, service is terminated. Once terminated, service will not be restored until the payment of all past bills, a reconnection charge of twenty-five dollars and, in some instances, a new or additional security deposit. Upon termination of service a lien process is started. Unpaid bills over $25 and below $5,000 are sent to Magistrate Court. Bills $5,000 and above go to Circuit Court. This program has been in place for approximately two years and has shown to produce positive results in the collection process.

Future Projects: Sewer

The City of Wheeling's Water Pollution Control Division is currently finishing up Phase II of VII phases planned under WPCD's Long Term Control Plan. Elimination of Combined Sewer Overflows remains a priority of the Water Pollution Control Division. Each phase costs between fifteen (15) to twenty (20) million dollars and includes upgrades to the Waste Water Treatment Plant, pump stations, collections system, storm and sanitary separations and the elimination of the Combined Sewer Overflows.

NOTE:
THE COMBINED STATEMENT OF NET ASSETS AND THE COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS FOR THE FISCAL YEAR ENDED JUNE 30, 2012 CAN BE FOUND IN THE AUDITED FINANCIAL STATEMENTS. See "Appendix C – Financial Statements of the City."

Employees Retirement and Benefit Fund

Employees of the Water Department and employees of the Water Pollution Control Department hired since 1982 participate in the City of Wheeling Employees' Retirement and Benefit Fund. Pursuant to Chapter 8, Article 22, Section 14 of the Code of West Virginia, 1931, as amended, the Treasurer of the City acts as custodian of this Fund. The City has not made any contributions to the City of Wheeling Employees' Retirement and Benefit Fund since 1996, as it is fully funded. Employees of the Water Pollution Control Department hired before 1982 participate in a separate fund, the Water Pollution Control Division Pension Plan, administered by an independent trustee. Annuity benefits are financed through employer and member contributions and the investment earnings on such contributions. By state law, the City is required to contribute to the fund annually an amount which, together with contributions from employees, will be sufficient to meet the normal cost of the fund including the cost of administration and amortize any actuarial deficiency over a period of not more than forty years. Historically, the City has contributed monthly an amount equal to 6.0% percent of its employee payroll for the preceding month; the following table summarizes the contributions made by the City to all Funds during each of the past five fiscal years. As of June 30, 2012, the Funds' contributions met or exceeded the statutory required contributions, so that no actuarial deficiency exists. Accordingly, the City has determined that no contributions are required during the current fiscal year.

WATER POLLUTION CONTROL DIVISION PENSION PLAN

	Fiscal Years Ended June 30,				
	2008	2009	2010	2011	2012
Employees Covered	12	12	11	11	11
Contribution Rate	6%	6%	6%	6%	6%
Contributions	$27,658	$31,692	$28,851	$28,539,	$28,586

Method of Accounting

For the fiscal year 2012, the System operated day-to-day on a cash basis of accounting. For reporting purposes, in the Comprehensive Annual Financial Report of the City, the accounting records were converted to the accrual basis. The cash basis recognizes revenue when it is received and expenses when they are paid. The accrual basis recognizes revenue when it is earned and expenses in the period incurred.

Encumbrance accounting is utilized by the City in the normal course of operations for purchase orders and contract-related expenditures. An encumbrance is a reserve on the available spending authority due to a commitment for a future expenditure and does not represent a liability. Encumbrances outstanding at year-end are treated as a reserve to the fund balance and are carried forward to the next fiscal year.

The accounting system provides for internal accounting controls designed to provide reasonable assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The information set forth in this Appendix B was provided by the City of Wheeling.

Appendix C

Financial Statements of the City

THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013
(TAX EXEMPT)

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THE CITY OF WHEELING, WEST VIRGINIA

AN ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE WATERWORKS PORTION OF THE EXISTING COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $49,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT); PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS RELATING TO THE BONDS; AND ENACTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

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

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

WHEREAS, under the provisions of Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), the Issuer is authorized and empowered to acquire, construct and operate extensions, additions, betterments and improvements to the waterworks portion of the System and all necessary appurtenances (collectively, the "Project") (the existing public combined waterworks and sewerage system and any future stormwater system of the Issuer incorporated therein, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System") in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer;

WHEREAS, the Issuer has determined, and does hereby affirm, that the acquisition and construction of the Project, is necessary, appropriate, useful and desirable for the health, safety, and welfare of the inhabitants of the City and surrounding areas;

WHEREAS, the Issuer has determined that the aforementioned Project should be financed, as provided under the Act, in whole or in part, from the proceeds of revenue bonds to be issued by the Issuer, to pay all or any portion of the costs thereof, and to enact this Ordinance and issue its Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax-Exempt) (the "Series 2013

Bonds"), such Series 2013 Bonds to be secured by and payable from the Gross Revenues of the System, and containing such other terms and provisions as are hereinafter provided, all in the manner set forth herein;

WHEREAS, the Issuer has determined and hereby determines that it is in the best interest of the residents of the City that its Series 2013 Bonds be sold to the Original Purchaser (as hereinafter defined) thereof pursuant to the terms and provisions of a bond purchase agreement, (the "Bond Purchase Agreement") between the Issuer and the Original Purchaser, hereinafter defined.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WHEELING HEREBY ORDAINS:

ARTICLE I

DEFINITIONS, STATUTORY AUTHORITY AND FINDINGS

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

"Act" means Chapter 8, Article 20 of the West Virginia Code of 1931, as amended and in effect on the Closing Date for the Series 2013 Bonds.

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

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

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

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

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

"Bond Insurer" means any entity which shall insure all or any portion of the payment of principal of and interest on the Bonds, and with respect to the Series 2013 Bonds shall initially mean the bond insurer or bond insurers, if any, named in the Supplemental Resolution.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the Issuer and the Original Purchaser relating to the sale and purchase of the Series 2013 Bonds.

"Bond Register" means the books of the Issuer maintained by the Registrar for the registration and transfer of the Series 2013 Bonds.

"Bond Year" means with respect to each series of the Series 2013 Bonds the 12 month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Bonds" means, collectively, the Series 2013 Bonds, the Prior Bonds and any additional parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

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

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 2013 Bonds in substantially the form set forth in EXHIBIT A – FORM OF SERIES 2013 BOND hereto.

"City" or "Issuer" means The City of Wheeling, a municipal corporation and political subdivision of the State of West Virginia, in Ohio County thereof, and, where appropriate, the Council, and any successor thereto.

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

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

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

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

"Code" shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, and Regulations thereunder and such guidance with respect thereto as may be issued by the Internal Revenue Service or Department of the Treasury from time to time.

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

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

"Continuing Disclosure Agreement" means the agreement delivered by the Issuer to disseminate annual financial information and material event disclosures as required by Rule 15c2-12.

"Costs" or similar terms means all those costs now or hereafter permitted by the Act to be financed with bonds issued pursuant hereto, including, without limitation those costs set forth in Section 1.02C.

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

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

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

"DTC-eligible" means, with respect to the Series 2013 Bonds, meeting the qualifications prescribed by DTC.

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

"FDIC" means the Federal Deposit Insurance Corporation or any successor to the functions of the FDIC.

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

"Governing Body" means the City Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the City Council, as it may now or hereafter be constituted.

"Government Obligations" shall have the meaning set forth in the Supplemental Resolution.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System and includes investment income, connection fees, disconnections fees, System use charges and fees, and all other items of income which have been established as reasonably anticipated annual income of the System, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts, and includes any proceeds from the sale or other disposition of capital assets, but does not include any increase in the value of capital assets (including Qualified Investments).

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

"Investment Property" means any security (as said term is defined in Section 165(g)(2)(A) or (B) of the Code), obligation, annuity contract, investment-type property or residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan, excluding, however, obligations the

interest on which is excluded from gross income, under Section 103 of the Code, for federal income tax purposes other than specified private activity bonds as defined in Section 57(a)(5)(C) of the Code.

"Maximum Annual Debt Service" means, at the time of computation, the greatest amount of Debt Service required to be paid on the Bonds for the then current or any succeeding Fiscal Year.

"Mayor" means the Mayor of the Issuer.

"Municipal Bond Insurance Policy" means the municipal bond insurance policy, if any, issued by the Bond Insurer simultaneously with the delivery of the Series 2013 Bonds insuring the timely payment of the principal of and interest on all or any of the Series 2013 Bonds in accordance with the terms thereof.

"Net Proceeds" means the face amount of the Series 2013 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, on such issue, and less proceeds deposited in the Series 2013 Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2013 Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

"Net Revenues" means Gross Revenues less Operating Expenses.

"Nonpurpose Investment" means any Investment Property which is acquired with the gross proceeds of the Series 2013 Bonds and is not acquired in order to carry out the governmental purpose of the Series 2013 Bonds.

"Official Statement" means a document or set of documents prepared by the Issuer setting forth, among other matters, information concerning the Issuer and the proposed issue of securities that is complete as of the date of delivery of the document or set of documents to the Original Purchaser.

"Operating Expenses" unless qualified, means the accrual basis expenses of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions, betterments or improvements for the System), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles.

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

"Original Purchaser" means the investment banking firm or firms, bank or banks or such other entity or entities as shall purchase the Series 2013 Bonds directly from the Issuer, as determined by the Supplemental Resolution.

"Outstanding" when used with reference to the Series 2013 Bonds or the Prior Bonds and as of any particular date, describes all Bonds theretofore and thereupon being issued and delivered except (a) any Bond or Prior Bond canceled by the registrar for such Bond or Prior Bonds at or prior to said date;

(b) any Bond or Prior Bonds for the payment of which monies, equal to its principal amount, with interest to the date of maturity, shall be held in trust under this Ordinance and set aside for such payment (whether upon or prior to maturity); (c) any Bond deemed to have been paid as provided by Section 9.01 hereof; and (d) with respect to determining the number or percentage of Bondholders or Bonds or Prior Bonds for the purpose of consents, notices and the like, any Bond registered to the Issuer. Notwithstanding the foregoing, in the event that a Bond Insurer has paid principal of and/or interest on any Bond or Prior Bond, such Bond or Prior Bond shall be deemed to be Outstanding until such time as such Bond Insurer has been reimbursed in full.

"Paying Agent" means, initially, the West Virginia Municipal Bond Commission and any other paying agent for the Series 2013 Bonds which may be appointed by a resolution supplemental hereto, all in accordance with Section 8.12 hereof.

"Prior Bonds" means, collectively, the Series 2005 A Bonds, Series 2006 A Bonds, and Series 2010 B Bonds.

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

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

"Project" means the acquisition and construction of certain additions, betterments and improvements to the System, including the acquisition of the rehabilitating and/or replacing low service pumps and other existing equipment associated with pretreatment processes, namely pre-sedimentation, aeration, flocculation and sedimentation; replacing the existing blower building and equipment; replacing existing chemical and storage systems associated with taste and odor control, coagulation, disinfection, lead and copper control and fluoridation; replacing existing rapid sand filters with new state-of-the art membrane filters and related chemical feed systems for maintenance; constructing a filtration and administration building to contain the membranes, new chemical feed systems, new laboratory and SCADA controls; replacing the existing clearwell with a new above-ground storage tank; and making various other improvements associated with repairs or upgrades to electrical systems, mechanical systems, architectural features, structural systems and safety aspects needed at the plant.

"Purchase Price" for the purpose of computation of the Yield of the Series 2013 Bonds, has the same meaning as the term "issue price" in Sections 1273(b) and 1274 of the Code, and, in general, means the initial offering price of the Series 2013 to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of the Bonds of each maturity is sold or, if the Series 2013 Bonds are privately placed, the price paid by the first buyer of the Series 2013 Bonds or the acquisition cost of the first buyer. "Purchase Price," for purposes of computing Yield of Nonpurpose Investments, means the fair market value of the Nonpurpose Investments on the date of use of Gross Proceeds of the Series 2013 Bonds for acquisition thereof, or if later, on the date that Investment Property constituting a Nonpurpose Investment becomes a Nonpurpose Investment of the Series 2013 Bonds.

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

"Record Date" means the date or dates which shall be so stated in the Series 2013 Bonds, regardless of whether such day is a Saturday, Sunday or legal holiday.

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

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

"Registrar" means the bank to be designated in the Supplemental Resolution as the Registrar for the Series 2013 Bonds, and any successor thereto appointed in accordance with Section 8.08 hereof.

"Regulations" means temporary and permanent regulations promulgated under the Code, and includes applicable regulations promulgated under the Internal Revenue Code of 1986 as amended.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created by the Prior Ordinances and continued hereby.

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

"Rule 15c2-12" means Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

"Series 2005 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000.

"Series 2006 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000.

"Series 2010 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2010 A, dated May 6, 2010, issued in the original aggregate principal amount of $4,455,000 which are expected to be defeased prior to the Closing of the Series 2013 Bonds.

"Series 2010 B Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000.

"Series 2013 Bonds Construction Fund" means the Series 2013 Bonds Construction Fund created by Section 4.01 hereof.

"Series 2013 Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt), of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 2013 Bonds Costs of Issuance Fund" means the Series 2013 Bonds Costs of Issuance Fund created by Section 4.01 hereof.

"Series 2013 Bonds Redemption Account" means the Redemption Account created by Section 4.02 hereof.

"Series 2013 Bonds Reserve Account" means the Series 2013 Bonds Reserve Account created in the Series 2013 Bonds Sinking Fund by Section 4.02 hereof.

"Series 2013 Bonds Reserve Account Requirement" means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2013 Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2013 Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2013 Bonds.

"Series 2013 Bonds Sinking Fund" means the Series 2013 Bonds Sinking Fund created by Section 4.02 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2013 Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any ordinance or resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution or Resolutions to be adopted by the Issuer following enactment of this Ordinance, setting forth the final amounts, maturities, interest rates, redemption provisions, Original Purchaser, approving a Bond Purchase Agreement and an Official Statement, Bond Insurer provisions (if any) and other terms of the Series 2013 Bonds and authorizing the sale of the Series 2013 Bonds to the Original Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Gross Revenues not required by the Ordinance to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, including, without limitation, the funds and accounts established for the Prior Bonds or the Series 2013 Bonds.

"System" means the complete existing combined municipal waterworks and sewerage system of the Issuer, as presently existing in its entirety or any integral part thereof and shall include, any stormwater system added to the System in the future, the Project and shall include any additions, betterments and improvements thereto hereafter acquired or constructed for said waterworks, sewage and/or stormwater systems from any sources whatsoever, both within and without the Issuer.

"Tax Certificate" means the Issuer's Tax Certificate dated as of the date of issuance of the Series 2013 Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

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

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

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

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

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

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

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

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

B. The Issuer presently owns and operates a public combined waterworks and sewerage system. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer, and for the improvement of the water environment of the Issuer, that there be acquired and constructed certain extensions, additions, betterments and improvements to the waterworks portion of the existing public combined waterworks and sewerage system of the Issuer, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. It is deemed necessary for the Issuer to issue its Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt), in the aggregate principal amount of not more than $49,500,000 to permanently finance the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2013 Bonds prior to and during acquisition or construction and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2013 Bonds Reserve Account; underwriter's discount, engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; premiums for Municipal Bond Insurance, reserve account insurance or reserve account surety bonds; letter of credit fees; discount; initial fees for the services of Registrars, Paying Agents, depositories or trustees or other costs in connection with the sale of the Series 2013 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; the acquisition and construction of the Project and the placing of same in operation; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2013 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

D. The period of usefulness of the System after completion of the Project is not less than 30 years.

E. It is in the best interests of the Issuer that the Series 2013 Bonds be sold to the Original Purchaser pursuant to the terms and provisions of the Bond Purchase Agreement, as shall be approved by the Supplemental Resolution of the Issuer.

F. The Issuer will have the following outstanding obligations which will rank on a parity with the Series 2013 Bonds as to liens, pledge, source of and security for payment, being the Issuer's: (i) Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000 (the "Series 2005 A Bonds"); (ii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000 (the "Series 2006 A Bonds"); and (iii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000 (the "Series 2010 B Bonds"), (collectively, the "Prior Bonds").

The Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2010 A, dated May 6, 2010, issued in the original aggregate principal amount of $4,455,000 are expected to be defeased prior to the Closing of the Series 2013 Bonds.

The Series 2013 Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all respects. Prior to the issuance of the Series 2013 Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met, and (ii) the written consent of the Holders of the Series 2005 A Bonds and the Series 2010 B Bonds to the issuance of the Series 2013 Bonds on a parity with the Prior Bonds. The Series 2006 A Bonds do not require consent. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with the covenants of the Prior Bonds and the Prior Ordinances.

G. The Issuer intends to issue the Series 2013 Bonds and to pledge for payment thereof, the Gross Revenues of the System, on a parity with each other and on a parity with such pledge in favor of the Holders of the Prior Bonds.

H. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient, to provide for the repair, maintenance and operation of the System, the payment of interest upon the Series 2013 Bonds, and the Prior Bonds and to create sinking funds, as hereinafter provided, to pay the principal on the Series 2013 Bonds and the Prior Bonds as and when it becomes due and reasonable reserves therefor, to provide an adequate Renewal and Replacement Fund, as hereinafter provided, and to make all other payments provided for in this Ordinance and the Prior Ordinances.

I. It is in the best interests of the Issuer, and the residents thereof, that the Issuer issue the Series 2013 Bonds, and secure the Series 2013 Bonds by a pledge and assignment of the Gross Revenues derived from the operation of the System, the monies in the Series 2013 Bonds Reserve Account, unexpended proceeds of the Series 2013 Bonds and as further set forth herein.

J. The Series 2013 Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the forms set forth in EXHIBIT A – FORM OF SERIES

2013 BOND attached hereto and incorporated herein by reference, with necessary and appropriate variations, omissions and insertions as permitted or required by this Ordinance or a Supplemental Resolution or as deemed necessary by the Registrar or the Issuer.

K. All things necessary to make the Series 2013 Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the Series 2013 Bonds, will be timely done and duly performed.

L. The enactment of this Ordinance, the execution and issuance of the Series 2013 Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

M. The Issuer has complied with all requirements of West Virginia law relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2013 Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the obtaining of a certificate of convenience and necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the date of issuance of the Series 2013 Bonds or such final order will not be subject to appeal or rehearing.

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the Series 2013 Bonds by those who shall own or hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Holders of any and all of such Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not more than $49,500,000. The proceeds of the Series 2013 Bonds hereby authorized shall be applied as provided herein.

The cost of the Project is estimated not to exceed $49,500,000 of which will be obtained from proceeds of the Series 2013 Bonds.

ARTICLE III

THE SERIES 2013 BONDS

Section 3.01. Form and Payment of Bonds. No Series 2013 Bond shall be issued pursuant to this Ordinance except as provided in this Article III. Any Series 2013 Bonds issued pursuant

to this Ordinance may be issued only as fully registered Series 2013 Bonds, in the denomination of $5,000 or any integral multiple thereof for any year of maturity. All Series 2013 Bonds shall be dated as of the date provided in a Supplemental Resolution applicable to such series. All Series 2013 Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2013 Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2013 Bonds shall be in default, Bonds issued in exchange for Series 2013 Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2013 Bonds surrendered.

The principal of and the premium, if any, on the Series 2013 Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Series 2013 Bonds shall be paid by check or draft made payable and mailed to the Holder thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of $1,000,000 or more of the Series 2013 Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

In the event any Series 2013 Bonds are redeemed in part, such bond shall be surrendered to and canceled by the Registrar, and the Issuer shall execute, and the Registrar shall authenticate and deliver to the Holder thereof, another Series 2013 Bond in the principal amount of said Series 2013 Bond then Outstanding.

Section 3.02. Execution of Bonds. The Series 2013 Bonds shall be executed in the name of the Issuer by the Mayor, by his manual or facsimile signature, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk by his or her manual or facsimile signature; provided, that, all such signatures and the seal may be by facsimile. In case any one or more of the officers who shall have signed or sealed any of the Series 2013 Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2013 Bonds shall be signed and sealed on behalf of the City by such person as at the actual time of the execution of such Bonds shall hold the proper office in the City, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Series 2013 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Ordinance unless and until the Certificate of Authentication and Registration on such Series 2013 Bond, substantially in the form set forth in EXHIBIT A – FORM OF SERIES 2013 BOND attached hereto and incorporated herein by reference with respect to the Series 2013 Bonds, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any such Series 2013 Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Ordinance. The Certificate of Authentication and Registration on any Series 2013 Bond shall be deemed to have been executed by the Registrar if signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Series 2013 Bonds issued hereunder.

Section 3.04. Negotiability and Registration. Subject to the requirements for transfer set forth below, the Series 2013 Bonds shall be, and have all of the qualities and incidents of, negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder, in accepting any of said Bonds, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Series 2013 Bonds remain Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Series 2013 Bonds. The Series 2013 Bonds shall be transferable only by transfer of registration upon the Bond Register by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or such duly authorized attorney or legal representative. Upon transfer of a Series 2013 Bond, there shall be issued at the option of the Holder or the transferee another Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond.

Upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar and duly executed by the registered owner or his attorney or legal representative duly authorized in writing, Series 2013 Bonds may at the option of the Holder thereof be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate, in any authorized denominations.

In all cases in which the privilege of transferring or exchanging a Series 2013 Bond is exercised, Bonds shall be delivered in accordance with the provisions of this Ordinance. All Series 2013 Bonds surrendered in any such transfer or exchange shall forthwith be canceled by the Registrar. Transfers of Series 2013 Bonds, the initial exchange of Bonds and exchanges of Bonds in the event of partial redemption of fully registered Bonds shall be made by the Registrar without charge to the Holder or the transferee thereof, except as provided below. For other exchanges of Series 2013 Bonds, the Registrar may impose a service charge. For every such transfer or exchange of Series 2013 Bonds, the Registrar may make a charge sufficient to reimburse its office for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such tax or governmental charge, and such service charge for exchange other than the initial exchange or in the event of partial redemption, shall be paid by the person requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Series 2013 Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2013 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may execute, in its discretion, and the Registrar shall authenticate, register and deliver any new Bond of like series, maturity and principal amount as the Bond, so mutilated, destroyed, stolen or lost, in exchange and upon surrender and cancellation of, such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing the Issuer and the Registrar proof of his ownership thereof and that said Bond has been destroyed, stolen or lost and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer or the Registrar may incur. The name of the Bondholder listed in the Bond Register shall constitute proof of ownership. All Series 2013 Bonds so surrendered shall be submitted to and canceled by the Registrar, and evidence of such cancellation shall be given to the Issuer. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer, by and

through the Registrar, may pay the same, upon being indemnified as aforesaid, and, if such Bond be lost, stolen or destroyed, without surrender therefor.

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

Section 3.06. Term Bonds. In the event Term Bonds are issued as part of the Series 2013 Bonds pursuant to this Ordinance, the following provisions shall apply:

1. The amounts to be deposited, apportioned and set apart by the Issuer from the Revenue Fund and into the Series 2013 Bonds Redemption Account in accordance with Subsection 4.03(A)(1) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 12 months prior to the first mandatory redemption date of said Term Bonds, a sum equal to 1/12th of the amount (or, if the Series 2013 Bonds mature semiannually rather than annually, that month which is 6 months prior to the first mandatory redemption date of said Term Bonds, a sum equal to 1/6th of the amount) required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next ensuing mandatory Redemption Date, which amounts and dates, if any, with respect to a series of Bonds shall be set forth in the Supplemental Resolution relating thereto.

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

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

4. After said 60th day but prior to the date on which the Registrar selects the Term Bonds to be redeemed, the Bond Commission may use the monies in the Series 2013 Bonds Redemption Account to purchase Term Bonds at a price less than the par value thereof and accrued interest thereon. The Bond Commission shall advise the Issuer and the Registrar of any Term Bonds so purchased, and they shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory Redemption Date, and any excess shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

5. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the Redemption Date (interest to be paid from the Series 2013 Bonds Sinking Fund), as will exhaust as nearly as practicable such Series 2013 Bonds Redemption Account payment designated to be made in accordance with paragraph (A)(1) of this section. Such redemption shall be by random selection made on the 45th day preceding the mandatory Redemption Date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of $5,000.

Section 3.07. Notice of Redemption. Unless waived by any Holder of the Series 2013 Bonds to be redeemed, official notice of any redemption shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the applicable Bond Insurer, the Original Purchaser, and the registered owner of the Series 2013 Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

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

(1) The Redemption Date,

(2) The Redemption Price,

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

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

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

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

If funds sufficient to redeem all Series 2013 Bonds called for optional redemption have not been deposited with the Paying Agent at the time of mailing any notice of optional redemption, such notice shall also state that such optional redemption is subject to the deposit of such monies with the Paying Agent on or before the Redemption Date. If such monies are not so deposited, the Registrar shall notify all holders of Series 2013 Bonds called for redemption of such fact.

Official notice of redemption having been given as aforesaid, the Series 2013 Bonds, or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Series 2013 Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the

same maturity in the amount of the unpaid principal of such Bond. All Series 2013 Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of Series 2013 Bonds, and failure to mail such notice shall not affect the validity of proceedings for the redemption of any portion of Bonds for which there was no such failure.

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

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

Section 3.10. Series 2013 Bonds. For the purposes of paying all or a portion of the costs of acquisition and construction of improvements and betterments to the waterworks portion of the System, paying capitalized interest, if any, funding the Series 2013 Bonds Reserve Account and paying costs in connection therewith, there shall be issued the Series 2013 Bonds of the Issuer, in one or more series, in an aggregate principal amount of not more than $49,500,000. Said Series 2013 Bonds shall be designated "Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" or such other designation as may be appropriate for the year and sequence of the issue, as may be set forth in a Supplemental Resolution, and shall be issued in fully registered form, in the denomination of $5,000 or any integral multiple thereof for any period of maturity, not exceeding the aggregate principal amount of Series 2013 Bonds maturing in the period of maturity for which the denomination is to be specified. The Series 2013 Bonds shall be numbered from AR-1 consecutively upward. The Series 2013 Bonds shall be dated; shall be in such aggregate principal amount (not to exceed $49,500,000); shall bear interest at such rate or rates, not exceeding the then legally permissible rate (not to exceed 6%), payable semiannually on such dates; shall mature on such dates (which may be annual or semi-annual) (not to exceed 30 years) and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Book Entry System for Series 2013 Bonds. A. The Series 2013 Bonds shall each initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Series 2013 Bonds of each maturity, registered in the name of CEDE & CO., as nominee of DTC. Except as provided in paragraph E below, all of the Series 2013 Bonds shall be registered in the registration books kept by the Registrar in the name of CEDE & CO., as nominee of DTC; provided that if DTC shall request that the Series 2013 Bonds be registered in the name of a different nominee, the Registrar shall exchange all or any portion of the Series 2013 Bonds registered in the name of such nominee or nominees. No person other than DTC or its nominee shall be entitled to receive from the

Issuer or the Registrar either a Series 2013 Bond or any other evidence of ownership of the Series 2013 Bonds, or any right to receive any payment in respect thereof unless DTC or its nominee shall transfer record ownership of all or any portion of the Series 2013 Bonds on the registration books maintained by the Registrar, in connection with discontinuing the book entry system as provided in paragraph E below.

B. At or prior to settlement for the Series 2013 Bonds, the Issuer and the Registrar shall execute or signify their approval of a representation letter addressed to DTC in a form satisfactory to DTC (the "Representation Letter"). Any successor Registrar shall, in its written acceptance of its duties under this Ordinance, agree to take any actions necessary from time to time to comply with the requirements of the Representation Letter.

C. So long as the Series 2013 Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal or Redemption Price of or interest on such Series 2013 Bonds shall be made to DTC or its nominee at the addresses set forth in the Representation Letter in New York Clearing House or equivalent next day funds on the dates provided for such payments to be made to any Bondholder under this Ordinance. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the Issuer and the Registrar with respect to the principal or Redemption Price of or interest on the Series 2013 Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Series 2013 Bonds Outstanding of any maturity, the Registrar shall not require surrender by DTC of the Series 2013 Bonds so redeemed, but DTC may retain such Series 2013 Bonds and make an appropriate notation on the Series 2013 Bonds certificate as to the amount of such partial redemption; provided that DTC shall deliver to the Registrar, upon request, a written confirmation of such partial redemption. The records maintained by the Registrar shall be conclusive as to the amount of the Series 2013 Bonds of such maturity which have been redeemed.

D. The Issuer, the Paying Agent and the Registrar may treat DTC as the sole and exclusive owner of the Series 2013 Bonds registered in its name or the name of its nominee for the purposes of payment of the principal or Redemption Price of or interest on the Series 2013 Bonds, selecting the Series 2013 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under this Ordinance, registering the transfer of Series 2013 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Issuer nor the Registrar shall be affected by any notice to the contrary. Neither the Issuer nor the Registrar shall have any responsibility or obligation to any direct or indirect participant in DTC, any person claiming a beneficial ownership interest in the Series 2013 Bonds under or through DTC or any such participant, or any other person which is not shown on the registration books of the Registrar as being a Bondholder with respect to (i) the Series 2013 Bonds, (ii) the accuracy of any records maintained by DTC or any such participant, (iii) the payment by DTC or any such participant of any amount in respect of the principal or Redemption Price of or interest on the Series 2013 Bonds, (iv) any notice which is permitted or required to be given to Bondholders under this Ordinance, (v) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Series 2013 Bonds, or (vi) any consent given or other action taken by DTC as Bondholder.

E. The book entry system for registration of the ownership of the Series 2013 Bonds may be discontinued at any time if either: (i) DTC determines to resign as securities depository for the Series 2013 Bonds; or (ii) the Issuer determines that continuation of the system of book entry transfers through DTC (or through a successor securities depository) is not in the best interest of the beneficial owners of the Series 2013 Bonds. In either of such events (unless in the case described in clause (iii) above, the Issuer appoints a successor securities depository), the Series 2013 Bonds shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be

designated by DTC, but without any liability on the part of the Issuer or the Registrar for the accuracy of such designation. Whenever DTC requests the Issuer and the Registrar to do so, the Issuer and the Registrar shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Series 2013 Bonds.

Section 3.12. Delivery of Series 2013 Bonds. The Issuer shall execute and deliver the Series 2013 Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2013 Bonds to the Original Purchaser upon receipt of the documents set forth below:

(1) If not registered in the name of DTC or its nominee, a list of the names in which the Series 2013 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;

(2) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2013 Bonds to DTC for the benefit of the Original Purchaser;

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

(4) The unqualified approving opinion upon the Series 2013 Bonds by Bond Counsel; and

(5) Such other opinions, certificates and documents as shall be reasonably requested by the Original Purchaser.

Section 3.13. Form of Series 2013 Bonds. The definitive Series 2013 Bonds shall be in substantially the form set forth in EXHIBIT A - SERIES 2013 BOND FORM attached hereto and incorporated herein by reference, with such necessary and appropriate omissions, insertions and variations as are approved by those officers executing such Series 2013 Bonds on behalf of the Issuer and execution thereof by such officers shall constitute conclusive evidence of such approval, and the definitive Series 2013 Bonds shall have the form of the opinion of Steptoe & Johnson PLLC, as Bond Counsel, attached thereto or printed on the reverse thereof.

Section 3.14. Disposition of Proceeds of Series 2013 Bonds. Upon the issuance and delivery of the Series 2013 Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

(1). All interest accrued, if any, on the Series 2013 Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2013 Bonds Sinking Fund and applied to payment of interest on the Series 2013 Bonds at the first interest payment date.

(2). An amount of the proceeds of the Series 2013 Bonds equal to the amount, if any, set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2013 Bonds Reserve Account, provided that, to the extent the Series 2013 Bonds Reserve Requirement is satisfied in whole or in part from a reserve account letter of credit, surety bond or other credit facility, proceeds of the Series 2013 Bonds shall be deposited in the Series 2013 Bonds Reserve Account only to the extent needed to satisfy the balance of the Series 2013 Bonds Reserve Requirement.

(3). The amount of Series 2013 Bond proceeds which, together with other monies or securities deposited therein shall be equal to the Costs of Issuance of the Series 2013 Bonds shall be

deposited with the Depository Bank in the Series 2013 Bonds Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2013 Bonds at the written direction of the Issuer. Monies not to be applied immediately to pay such costs of issuance may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 120 days following the Closing Date for the Series 2013 Bonds, such unapplied proceeds shall be transferred by the Issuer to the Series 2013 Bonds Sinking Fund established in Section 4.01 hereof and applied to the next ensuing payment of interest on the Series 2013 Bonds. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2013 Bonds from which such proceeds are derived.

(4). The balance of Series 2013 Bonds proceeds, if any, shall be deposited in the Series 2013 Bonds Construction Fund and disbursed as provided in Section 3.15 hereof.

Section 3.15. Disbursements from the Series 2013 Bonds Construction Fund. Disbursements from the Series 2013 Bonds Construction Fund, except for payment of Costs of Issuance of the Series 2013 Bonds in excess of the monies available in the Costs of Issuance Fund which shall be made upon request of the Issuer, shall be made only for acquisition and construction of the Project, including all necessary engineering and other professional services relating thereto. Pending such application, monies in the Series 2013 Bonds Construction Fund, including any accounts therein, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2013 Bonds from which such proceeds are derived.

ARTICLE IV

SYSTEM REVENUES; FUNDS AND ACCOUNTS

Section 4.01. Establishment of Funds and Accounts with Depository Bank. Pursuant to this Article IV, the following special funds are created with (or continued if previously established by Prior Ordinances), and shall be held by, the Depository Bank, segregated from all other funds and accounts of the Depository Bank or the Issuer and from each other (except as set forth in this Section 4.01), and used solely for the purposes provided herein:

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

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

(3) Series 2013 Bonds Costs of Issuance Fund;

(4) Rebate Fund; and

(5) Series 2013 Bonds Construction Fund.

Section 4.02. Establishment of Funds and Accounts with Bond Commission. The following special funds or accounts are hereby created (or continued if established by Prior Ordinances) 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:

(1) Series 2005 A Bonds Sinking Fund (established by Prior Ordinances)

(2) Series 2005 A Bonds Reserve Account (established by Prior Ordinances);

(3) Series 2006 A Bonds Sinking Fund (established by Prior Ordinances);

(4) Series 2006 A Bonds Reserve Account (established by Prior Ordinances);

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

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

(7) Series 2013 Bonds Sinking Fund; and

(8) Series 2013 Bonds Reserve Account

Section 4.03. System Revenues and Application Thereof. So long as any of the Series 2013 Bonds shall be Outstanding and unpaid, the Issuer covenants as follows:

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

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) the amounts required by the Prior Ordinances to pay interest on the Prior Bonds; and (ii) beginning on the first day of that month which is 6 months prior to the first interest payment date on the Series 2013 Bonds, apportion and set apart out of the Revenue Fund and deposit in the Series 2013 Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on said Series 2013 Bonds on the next ensuing semiannual interest payment date, provided, that in the event the period to elapse between the date of such initial deposit in the Series 2013 Bonds Sinking Fund and the next ensuing semiannual interest payment date is less than or greater than 6 months, then such monthly payments shall be increased or decreased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date, and provided further, that the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2013 Bonds Sinking Fund shall be reduced by the amount of accrued interest, if any, on the Series 2013 Bonds deposited therein and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2013 Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2013 Bonds Sinking Fund;

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and, simultaneously remit to the Commission (i) the amounts required by the Prior Ordinances to pay principal on the Prior Bonds; and (ii) for deposit in the Series 2013 Bonds Sinking Fund (and in the Series 2013 Bonds Redemption Account therein in the case of Term Bonds which are to be redeemed) on the first day of each month, beginning on the first day of that month which is 12 months prior to the first

principal payment or mandatory Redemption Date of the Series 2013 Bonds, a sum equal to 1/12th of the amount (or 1/6th of the amount if the Series 2013 Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the Series 2013 Bonds on the next ensuing principal payment or mandatory Redemption Date, provided, that in the event the period to elapse between the date of such initial deposit in the Series 2013 Bonds Sinking Fund and the next ensuing principal payment or mandatory Redemption Date is less than or greater than 12 months (or 6 months if the Series 2013 Bonds mature semiannually rather than annually), then such monthly payments shall be increased or decreased proportionately to provide, one month prior to the next ensuing principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2013 Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph.

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

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and, simultaneously remit to the Commission (i) the amounts required by the Prior Ordinances to be deposited in the Prior Bonds Reserve Accounts; and (ii) commencing 13 months prior to the first date of payment of principal of the Series 2013 Bonds or upon completion of construction of the Project, whichever is earlier, if not fully funded upon issuance of the Series 2013 Bonds, for deposit in the Series 2013 Bonds Reserve Account, an amount equal to 1/120th of the Series 2013 Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 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 2013 Bonds Reserve Requirement; provided further, that if the amounts in the Series 2013 Bonds Reserve Account, as a result of a decrease in value of the Series 2013 Bonds Reserve Account below the Series 2013 Bonds Reserve Account Requirement or any withdrawal from the Series 2013 Bonds Reserve Account, the Issuer shall apply such monies for deposit into the Series 2013 Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2013 Bonds Reserve Account results in a determination that the amount of monies and the value of the Qualified Investments deposited to the credit of the Series 2013 Bonds Reserve Account is less than the Series 2013 Bonds Reserve Account Requirement, or (b) any amount is withdrawn from the Series 2013 Bonds Reserve Account for deposit into the Series 2013 Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefor, the amount so deposited shall be used to restore the amount of monies on deposit in the Series 2013 Bonds Reserve Account to an amount equal to the Series 2013 Bonds Reserve Account Requirement to the full extent that such Gross Revenues are available; provided, however, that if the shortfall in the Series 2013 Bonds Reserve Account is due to a decrease in the value of investments therein, such shortfall shall be replenished by not less than 4 equal monthly payments, and if such shortfall is due to a withdrawal from the Series 2013 Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2013 Bonds Reserve Account

whenever and as long as the amount deposited therein shall be equal to the Series 2013 Reserve Account Requirement.

Amounts in the Series 2013 Bonds Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Series 2013 Bonds when due, when amounts in the Series 2013 Bonds Sinking Fund are insufficient therefor and for no other purpose.

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

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

B. The Bond Commission is hereby designated as the fiscal agent for the administration of the Series 2013 Bonds Sinking Fund created hereunder, and all amounts required for said Sinking Fund shall be remitted to the Bond Commission from said Revenue Fund and from the proceeds of the sale of the Series 2013 Bonds, by the Issuer at the times and as otherwise provided herein. All remittances made by the Issuer to the Bond Commission shall clearly identify the fund or account into which each amount is to be deposited.

C. The monies on deposit in the Revenue Fund and the Renewal and Replacement Fund in excess of the sum insured by the FDIC shall at all times be secured, to the full extent thereof in excess of such insured sum, by Government Obligations or by other Qualified Investments as shall be eligible as security for deposits of municipal funds under the laws of the State.

D. Principal, interest or reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2013 Bonds, all in accordance with the respective principal amounts then Outstanding.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE; REBATES AND CONTINUING DISCLOSURE

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

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

The following specific provisions shall apply with respect to any investments made under this section (unless otherwise required by the Bond Insurer and as set forth in the Supplemental Resolution):

(A) Qualified Investments acquired for the Series 2013 Bonds Reserve Account shall mature or be subject to retirement at the option of the holder within not more than 5 years from the date of such investment.

(B) The Issuer shall, or shall cause the Bond Commission to, annually transfer from the Series 2013 Bonds Reserve Account to the Series 2013 Bonds Sinking Fund any earnings on the monies deposited therein and any other funds in excess of the Series 2013 Bonds Reserve Requirement, provided, however, that there shall at all times remain on deposit in the Series 2013 Bonds Reserve Account an amount at least equal to the Series 2013 Bonds Reserve Requirement.

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal from the Series 2013 Bonds Reserve Account, whereupon it shall be valued immediately after such withdrawal. If amounts on deposit in the Series 2013 Bonds Reserve Account shall, at any time, be less than the applicable Series 2013 Bonds Reserve Requirement , the applicable Bond Insurer, if any, shall be notified immediately of such deficiency, and such deficiency shall be made up from the first available Gross Revenues after required deposits to the Sinking Fund and otherwise in accordance with Section 4.03.

(D) All amounts representing accrued and capitalized interest shall be held by the Bond Commission, pledged solely to the payment of interest on the Series 2013 Bonds, as appropriate, and invested only in Government Obligations maturing at such times and in such amounts as are necessary to match the interest payments to which they are pledged.

(E) Notwithstanding the foregoing, all monies deposited in the Series 2013 Bonds Sinking Fund may be invested by the Bond Commission in the West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the Code of West Virginia, 1931, as amended.

Section 5.02. Continuing Disclosure Agreement. The Issuer shall deliver a continuing disclosure agreement or certificate in form acceptable to the Original Purchaser, the form of which shall be approved by the Supplemental Resolution, sufficient to ensure compliance with Rule 15c2-12, as it may be amended from time to time, and the Issuer hereby instructs the Mayor and Clerk to take all actions necessary for the Issuer to comply with the Continuing Disclosure Agreement.

Section 5.03. Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 2013 Bonds which would cause the Series 2013 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Series 2013 Bonds) so that the interest on the Series 2013 Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 5.04. Tax Certificate, Rebates, and Rebate Fund. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by Bond Counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of any series of Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2013 Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Ordinance.

The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be in time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefore. The Issuer at its expense, may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 5.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In

the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants Binding and Irrevocable. All the covenants, agreements and provisions of this Ordinance shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2013 Bonds, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Ordinance, the Issuer hereby covenants and agrees with the Holders of the Series 2013 Bonds, as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2013 Bonds or the interest thereon, are Outstanding and unpaid.

Section 6.02. Bonds not to be Indebtedness of the Issuer. The Series 2013 Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, the monies in the Series 2013 Bonds Sinking Fund and all accounts therein, the unexpended proceeds of the Series 2013 Bonds or money in the Series 2013 Bonds Construction Fund, if any, all as herein provided. No Holder or Holders of any Series 2013 Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay said Series 2013 Bonds or the interest thereon.

Section 6.03. Bonds Secured by Pledge of Gross Revenues and Monies in Sinking Fund. The payment of the debt service of all of the Series 2013 Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the operation of the System on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds and, in the instance of the Series 2013 Bonds, all monies and securities in the Series 2013 Bonds Sinking Fund, including the Series 2013 Bonds Reserve Account therein to the extent necessary to make the payments required under Section 4.03. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 2013 Bonds herein authorized, to make the payments into the Series 2013 Bonds Sinking Fund, all monies and securities in the Series 2013 Bonds Sinking Fund, the Series 2013 Bonds Reserve Account and all other payments provided for in this Ordinance, are hereby irrevocably pledged in the manner provided in this Ordinance to the payment of the principal of and interest on the Prior Bonds and the Series 2013 Bonds herein authorized as the same become due and for the other purposes provided in this Ordinance.

Section 6.04. Rates. 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 Ordinance. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the sewer rate ordinance of the Issuer enacted November 15, 2011 as amended by Recommended Decision entered April 19, 2012, and Commission Order dated May 18, 2012 in Case No. 11-1772-S-MA of the Public Service Commission of West Virginia (the "PSC"), and the water rate ordinance of the Issuer dated November 15, 2011, as amended by Recommended Decision entered July 31, 2012, which became Final Order on August 20, 2012 in Case No. 11-1770-W-MA of the PSC, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2013 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 this Ordinance and in compliance with this Ordinance. In the event the schedule of rates and charges initially established for the System in connection with the Series 2013 Bonds shall prove to be insufficient to produce the required sums set forth in this Ordinance, 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 Ordinance.

Prior to the issuance of the Series 2013 Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the City Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder. Such schedule or schedules of rates and charges shall be 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 so long as the Prior Bonds are outstanding, the schedule or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as set forth below, and thereafter, sufficient, together with other revenues of the System, to provide for all Operating Expenses of the System and 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 on the Series 2013 Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds including the Prior Bonds.

In the computation provided in the above paragraph, "revenues of the System" shall include increased Net Revenues estimated to be derived from any improvements under construction, and any change in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia, (without successful appeal), whether or not such approved rates are being charged and collected by the Issuer.

The Issuer hereby covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 90 days following a determination of the Independent Certified Public Accountant that less than the above-

required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

Section 6.05. Completion of Project; Operation and Maintenance. The Issuer will complete the Project as promptly as possible. The Issuer will maintain the System in good condition and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the revenues of said System in the manner provided in this Ordinance.

The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia necessary for the acquisition and construction of the Project and the operation of the System.

Section 6.06. Sale of the System. So long as the Prior Bonds are Outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of the System, except as provided by the Prior Ordinances. Additionally, so long as the Series 2013 Bonds are Outstanding, the System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to defease the pledge created by this Ordinance and the Prior Ordinances. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Bond Commission for deposit in the Series 2013 Bonds Sinking Fund, and otherwise as prescribed by Section 9.01. Any balance remaining after such defeasance shall be remitted to the Issuer by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the Gross 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 is not in excess of $500,000, the Issuer may provide for the sale of such property. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $500,000 but not in excess of $5,000,000 the Issuer by resolution duly adopted, find that the property is no longer necessary, useful or profitable in the operation of the System and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property which are less than $500,000 may be deposited into the Revenue Fund or the Renewal and Replacement Fund, at the sole discretion of the Issuer. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $500,000 and not in excess of $5,000,000, shall be deposited by the Issuer into the Renewal and Replacement Fund.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of 5,000,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of any applicable Bond Insurer, if any, or if the Series 2013 Bonds are not insured, the Holders, or their duly authorized representatives, of 51% in amount of Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the Bond Insurer, if any, or if the Series 2013 Bonds are not insured, the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except Additional Parity Bonds provided for in Section 6.08 hereof, payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from the Gross Revenues with the Series 2013 Bonds; and all obligations hereafter issued by the Issuer 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 2013 Bonds.

The Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or, except with respect to such Additional Parity Bonds, being on a parity with the lien of the Series 2013 Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2013 Bonds and the interest thereon in this Ordinance or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable.

No such Additional Parity Bonds (as hereinafter defined) shall be issued except for the purposes of financing the costs of the design, acquisition and construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds or Additional Parity Bonds, or to pay claims which may exist against the revenues or facilities of the System or all of such purposes.

So long as the Series 2013 Bonds are Outstanding, no such Additional Parity Bonds shall be issued at any time, however, unless and until there has been procured a written statement by an Independent Certified Public Accountant, reciting the conclusion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 2 Fiscal Years immediately following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

(2) Any Additional Parity Bonds theretofore issued pursuant to the provisions contained in the Prior Ordinances and this Ordinance then Outstanding; and

(3) The Additional Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia (without successful appeal), prior to the date of delivery of such Additional Parity Bonds, whether or not such approved rates are being charged and collected by the Issuer.

The term "Additional Parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Bonds. All covenants and other provisions of this Ordinance (except as to details of such Additional Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Additional Parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. 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 Ordinance required for and on account of such Additional Parity Bonds, in addition to the payments required for the Bonds theretofore issued pursuant to this Ordinance.

Additional 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 liens of the Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to the lien on and source of and security for payment from such revenues, with the Bonds.

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

Provided, however, that if the audit by an Independent Certified Public Accountant for the Issuer for the Fiscal Year immediately preceeding the proposed issuance of Additional Parity Bonds states that the Issuer was not in compliance with the rate covenant in Section 6.04 of this Ordinance for the year being audited and the Issuer has, as required by Section 6.04, enacted a rate ordinance seeking a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Ordinance, so as to prevent the Issuer from issuing Additional Parity Bonds under this Section 6.08.

Section 6.09. Insurance and Bonds. The Issuer hereby covenants and agrees, that so long as the Series 2013 Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance and bonds and workers' compensation coverage with a reputable insurance carrier or carriers or bonding company or companies rated at least "A" by Standard & Poor's Corporation covering the following risks and in the following amounts:

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the greater of the fair appraised value or the original cost thereof. In the event of any damage to or destruction of any portion of the System, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damages or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

B. PUBLIC LIABILITY INSURANCE, with limits of not less than is customarily carried by municipalities of equivalent size with respect to works and properties similar to the System to protect the Issuer from claims for bodily injury and/or death and 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, provided that, the Issuer, (with provision for reasonable reserves, participate in a captive insurance company or participate in an insurance pool for municipalities and other political subdivisions.

If the Issuer determines in good faith that any required insurance is not commercially available at a reasonable cost with reasonable terms, it shall engage an insurance consultant to verify the determination and to make recommendations regarding the types, amounts and provisions of any such insurance that should be purchased or funded by the Issuer, taking into consideration the costs and practices of other municipal water and sewer systems of similar size and type in the State to the extent that such information is available. The Issuer may, upon resolution adopted in good faith and upon the recommendations of the insurance consultant, adopt alternate or supplemental risk management programs which the Issuer determines to be reasonable, including the right to self-insure, participate in captive insurance companies and participate in an insurance pool for municipalities and other political subdivisions

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

D. FLOOD INSURANCE, 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.

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

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

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

The Issuer shall also require all contractors engaged in the construction of the Project to carry such workers' compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project.

Section 6.10. Services Rendered to the Issuer. The Issuer will not render or cause to be rendered any free services of any nature by its System; and, in the event the Issuer or any department,

agency, instrumentality, officer or employee thereof shall avail himself of the facilities or services provided by the System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. Such charges shall be paid as they accrue, and the Issuer shall transfer from its general funds sufficient sums to pay such charges for service to any of its departments or properties. The revenues so received shall be deemed to be revenues derived from the operation of the System and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 6.11. 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.

To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent rates, rentals and other charges, if not paid, shall become a lien on the premises served by the System. The Issuer further covenants and agree 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 and facilities of the System to all delinquent users of services and facilities of the System and will not restore such services of the System until all billing for charges for the services and facilities of the System, including penalties and reconnect fees, have been fully paid, or a payment agreement in compliance with the West Virginia Public Service Commission regulations has been entered.

Section 6.12. 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 or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 6.13. Books and Records. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Series 2013 Bond, shall have the right at all reasonable times to inspect the System, and all parts thereof, and all records, accounts and data of the Issuer relating thereto.

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be completely audited by an Independent Accountant, shall mail upon request, and make available generally, the report of said Independent Certified Public Accountant, or a summary thereof, to any Holder or Holders of Series 2013 Bonds issued pursuant to this Ordinance.

Section 6.14. Operating Budget. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, or at such earlier date required by the charter of the Issuer, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. 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 Original Purchaser and to any Bondholder or anyone acting for and in behalf of such Bondholder who requests the same.

Section 6.15. Mandatory Connections. The mandatory use of the sewerage portion of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer, and in order to assure the rendering harmless of sewage and waterborne waste matter produced or arising within the territory served by the sewerage portion of the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the sewerage portion of the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building and every such owner, tenant or occupant shall, after a 30 day notice of the availability of sewerage services of the System, pay the rates and charges established therefor.

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

Section 6.16. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2013 Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon the issuance of the Series 2013 Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 6.17. Covenants Regarding the Municipal Bond Insurance Policy. The Issuer intends to obtain a Municipal Bond Insurance Policy for the Series 2013 Bonds. In the event such Municipal Bond Insurance Policy is obtained, certain additional covenants of the Issuer will be required by the Bond Insurer as a condition to insuring the Series 2013 Bonds. These additional covenants shall be set forth in full in the Supplemental Resolution, shall apply to the Series 2013 Bonds and any other Bonds which may be insured by such Bond Insurer, and shall be controlling in the event any other provisions of this Ordinance may be in conflict therewith.

Section 6.18. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2013 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 2013 Bonds during the term thereof is, under the terms of the Series 2013 Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the

Net Proceeds of the Series 2013 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 2013 Bonds during the term thereof is, under the terms of the Series 2013 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 2013 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2013 Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2013 Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan to persons other than state or local government units

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2013 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2013 Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take all actions that may be required of it so that the interest on the Series 2013 Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion. .

Section 6.19. Continuing Disclosures. In order to provide the written undertaking for the benefit of the owners of the Series 2013 Bonds required by the Securities and Exchange Commission Rule 15c2-12, the Issuer shall enter into a Continuing Disclosure Agreement in such form as may be approved by the Supplemental Resolution, and the Mayor is authorized and directed to execute and deliver such Continuing Disclosure Agreement on behalf of the Issuer, with such changes as the Mayor shall approve, such approval to be conclusively evidenced by the execution of such Agreement by the Mayor.

Section 6.20 Preliminary Official Statement; Official Statement. The distribution of the Preliminary Official Statement with respect to the Series 2013 Bonds shall be and the same is hereby approved. The form of the Preliminary Official Statement shall be in such form as may be approved by the Supplemental Resolution. The Mayor is hereby authorized and directed to execute and deliver a final official statement on behalf of the Issuer, which shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be required to reflect the terms of the sale of the Series 2013 Bonds and as the Mayor may approve (the "Official Statement"). The execution of the Official Statement by the Mayor shall be conclusive evidence of such approval. Copies of the Official Statement are hereby authorized to be prepared and furnished to the Original Purchaser for distribution.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2013 Bonds:

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

(B) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part in this Ordinance or any Supplemental Resolution or in the Series 2013 Bonds contained, and such default shall have continued for a period of 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Issuer by any Bondholder or any Insurer; or

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

(D) If default occurs with respect to the Prior Bonds or the Prior Ordinances.

Section 7.02. Enforcement. Upon the happening and continuance of any Event of Default, any Bondholder (with the prior written consent of the applicable Bond Insurer) or any Bond Insurer may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his rights and, in particular:

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

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

(C) Bring suit upon the Series 2013 Bonds, as applicable;

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

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

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

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

No waiver of any default or Event of Default hereunder by the Bondholders shall be made without the prior written consent of the applicable Bond Insurer or shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto.

Section 7.03. Appointment of Receiver. If there be any Event of Default existing and continuing, any Bondholder or any Bond Insurer shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of the principal of and interest on the Series 2013 Bonds, and the Prior Bonds, the deposits into the funds and accounts hereby established as herein provided and the payment of Operating Expenses of the System and to apply such rates, rentals, fees, charges or other Revenues in conformity with the provisions of this Ordinance and the Act.

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

Whenever all that is due upon the Series 2013 Bonds issued pursuant to this Ordinance and interest thereon and under any covenants of this Ordinance for reserve, sinking or other funds and accounts and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the Revenues of the System shall have been paid and made good, and all defaults under the provisions of this Ordinance shall have been cured and made good, and all monies due hereunder or under any Supplemental Resolution have been paid in full, 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 Bondholder shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and the Holders of the Series 2013 Bonds issued pursuant to this Ordinance. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the possession, operation and maintenance of the System, for the sole purpose of the protection of both the Issuer and the Bondholders, and the curing and making good of any default under the provisions of this Ordinance, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any assets of the System.

Notwithstanding any other provision of this Ordinance, in determining whether the rights of the Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of this Ordinance, any trustee or Bondholder's committee shall consider the effect on the Bondholders as if no Municipal Bond Insurance Policy were then in effect.

Section 7.04. 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 VIII

REGISTRAR AND PAYING AGENT

Section 8.01. Appointment of Registrar. The Registrar for the Series 2013 Bonds shall be appointed pursuant to the Supplemental Resolution. The Issuer is hereby authorized and directed to enter into an agreement with the Registrar, the substantial form of which agreement is to be approved by Supplemental Resolution.

Section 8.02. Responsibilities of Registrar. The recitals of fact in the Bonds shall be taken as statements of the Issuer, and the Registrar shall not be responsible for their accuracy. The Registrar shall not be deemed to make any representation as to, and shall not incur any liability on account of, the validity of the execution of any Series 2013 Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication and Registration on the Series 2013 Bonds. The Registrar and any successor thereto shall agree to perform all the duties and responsibilities spelled out in this Ordinance and any other duties and responsibilities incident thereto, all as provided by said agreement described in Section 8.01.

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

Section 8.04. Compensation and Expenses. The Issuer shall pay to the Registrar from time to time reasonable compensation for all services, including the transfer of registration of Series 2013 Bonds, the first exchange of Series 2013 Bonds and the exchange of Series 2013 Bonds in the event of partial redemption, incurred in the performance of its duties hereunder.

Section 8.05. Certain Permitted Acts. The Registrar may become the owner of or may deal in Series 2013 Bonds as fully and with the same rights it would have if it were not Registrar. To the extent permitted by law, the Registrar may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or effect or aid in any reorganization growing out of the enforcement of the Series 2013 Bonds, or this Ordinance, whether or not any such committee shall represent the Holders of a majority in principal amount of the Series 2013 Bonds Outstanding.

Section 8.06. Resignation of Registrar. The Registrar may at any time resign and be discharged of its duties and obligations under this Ordinance by giving not less than 60 days' written notice to the Issuer and publishing in an Authorized Newspaper notice (or mailing such notice to each Bondholder in the event all Bonds are fully registered), specifying the date when such resignation shall take effect, within 20 days after the giving of such written notice. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Such resignation shall take effect upon the day specified in such notice unless a successor shall have been previously appointed by the Issuer or bondholders, in which event such resignation shall take effect immediately, provided that in no event shall such resignation take effect until a successor has been appointed and has accepted its duties as Registrar.

Section 8.07. Removal. The Registrar may be removed at any time by the Issuer, the applicable Bond Insurer or by the Holders of a majority in principal amount of the Series 2013 Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer, the applicable Bond Insurer or by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer, as the case may be. Copies of each such instrument shall be delivered by the Issuer to the Registrar. Such removal shall take effect upon the date stated in such instrument, provided that in no event shall such removal take effect until a successor has been appointed and has accepted its duties as Registrar.

Section 8.08. Appointment of Successor. In case at any time the Registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Registrar or of its property shall be appointed, or if any public officer or court shall take charge or control of the Registrar or of its property or affairs, a successor may be appointed by the Holders of a majority in principal amount of the Series 2013 Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer and such successor Registrar, notification thereof being given to the predecessor Registrar. Pending such appointment, the Issuer shall forthwith appoint a Registrar to fill such vacancy until a successor Registrar shall be appointed by such Bondholders. The Issuer shall mail to each Bondholder notice of any such appointment within 20 days after the effective date of such appointment. Any successor Registrar appointed by the Issuer shall, immediately and without further act, be superseded by a Registrar appointed by such Bondholders. If in a proper case no appointment of a successor Registrar shall be made within 45 days after the Registrar shall have given to the Issuer written notice of resignation or after the occurrence of any other event requiring such appointment, the Registrar or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Any Registrar appointed under the provisions of this section shall be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance.

Section 8.09. Transfer of Rights and Property to Successor. Any predecessor Registrar or Paying Agent shall pay over, assign and deliver any monies, books and records held by it to its successor.

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

Section 8.11. Adoption of Authentication. In case any of the Series 2013 Bonds shall have been authenticated but not delivered, any successor Registrar may adopt a Certificate of Authentication and Registration executed by any predecessor Registrar and deliver such Bonds so authenticated, and, in case any Bonds shall have been prepared but not authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in its own name.

Section 8.12. Paying Agent. The West Virginia Municipal Bond Commission shall initially serve as Paying Agent. Any alternate Paying Agent must be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Series 2013 Bonds shall be and remain DTC-Eligible.

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

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

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

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

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

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 9.01. Defeasance; Discharge of Pledge of Ordinance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 2013 Bonds the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, and all other monies due hereunder have been paid, then this Ordinance and the pledges of the Gross Revenues and other monies and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Holders of the Series 2013 Bonds made

hereunder, as applicable, shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds for the payment of which either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2013 Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Bond Commission or an escrow trustee either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with the Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on said Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of said Bonds prior to the maturity thereof, on and prior to said Redemption Date. Neither securities nor monies deposited with the Bond Commission or an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on said Bonds on and prior to such maturity or Redemption Dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge.

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Ordinance. Prior to issuance of the Series 2013 Bonds, this Ordinance may be amended, modified or supplemented in any way by the Supplemental Resolution. All provisions required by the Bond Insurer, if any, shall be set forth in the Supplemental Resolution and to the extent they constitute an amendment or modification of this Ordinance, shall be controlling. Following issuance of the Series 2013 Bonds, this Ordinance and any Supplemental Resolution may, without the consent of any Bondholder or other person, be amended, modified or supplemented in any manner which, in the opinion of Bond Counsel, does not materially adversely affect the interests of the Bondholders or any Bond Insurer, provided that, in the event any of the Bonds are insured, no such amendment or modification which affects the rights of the applicable Bond Insurer for such Bonds may be made without the written consent of such Bond Insurer. Otherwise, no materially adverse amendment or modification to this Ordinance, or of any Supplemental Resolution, may be made without the written consent of the Holders of 51% in aggregate principal amount of the Series 2013 Bonds then Outstanding and affected thereby and the Bond Insurer, which must be filed with the Clerk of the Issuer before any such modification or amendment may be made. No such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Bond without the express written consent of the Holder of such Bond, nor reduce the percentage of Series 2013 Bonds required for consent to any such modification or amendment.

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

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

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

C. The amount of fully registered Series 2013 Bonds held by a person executing any instrument as a Bondholder, the date of his holding such Series 2013 Bonds and the numbers and other identification thereof, shall be confirmed by the Bond Register.

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

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

Section 10.04. Cancellation of Bonds. All Series 2013 Bonds purchased or paid shall, if surrendered to the Issuer, be canceled and delivered to the Registrar, or, if surrendered to the Registrar, be canceled by it. No such Bonds shall be deemed Outstanding under this Ordinance and no Series 2013 Bonds shall be issued in lieu thereof. All such Bonds shall be canceled and upon order of the Issuer shall be destroyed, and a certificate evidencing such destruction shall be delivered to the Issuer.

Section 10.05. Failure to Present Bonds. Anything in this Ordinance to the contrary notwithstanding, any monies held by the Bond Commission or a Paying Agent in trust for the payment and discharge of any of the Series 2013 Bonds which remain unclaimed for two years after the date on which such Bonds have become due and payable, whether by maturity or upon call for redemption, shall

at the written request of the Issuer be paid by the Bond Commission or said Paying Agent to the Issuer as its absolute property and free from trust, and the Bond Commission or said Paying Agent shall thereupon be released and discharged with respect thereto, and the Holders of such Bonds shall look only to the Issuer for the payment of such Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Bond Commission, or said Paying Agent shall send to the Holder, at the address listed on the Bond Register, by certified mail, a notice that such monies remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of such notice is mailed, the balance of such monies then unclaimed will be returned to the Issuer.

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

ISSUER
The City of Wheeling
1500 Chapline Street
Wheeling, West Virginia 26003
Attention: Mayor

REGISTRAR
[Name(s) and address(s) to be set forth in Supplemental Resolution]

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

DEPOSITORY BANK
[Name(s) and address(s) to be set forth in Supplemental Resolution]

ORIGINAL PURCHASER
[Name(s) and address(s) to be set forth in Supplemental Resolution]

BOND INSURER
[Name(s) and address(es) to be set forth in the Supplemental Resolution]

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

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

Section 10.08. Law Applicable. The laws of the State shall govern the construction of this Ordinance and of all Series 2013 Bonds issued hereunder.

Section 10.09. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Issuer, the Registrar, the Paying Agent, the Holders of the Series 2013 Bonds, the applicable Bond Insurer, if any, and the Original Purchaser, any right, remedy or claim under or by reason of this Ordinance. All the covenants, stipulations, promises and agreements contained in this Ordinance by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Registrar, the Paying Agent, the Holders of the Series 2013 Bonds, the Bond Insurer and the Original Purchaser.

Section 10.10. Reserved

Section 10.11. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Ordinance.

Section 10.12. Table of Contents and Headlines. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 10.13. Conflicting Provisions Repealed. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, provided however, that the Prior Ordinances shall remain in full force and effect so long as any of the Prior Bonds are Outstanding.

Section 10.14. Procedure on Enactment of Ordinance; Public Hearing. Upon adoption of this Ordinance, the Clerk is hereby authorized and directed to have an abstract of this Ordinance, which abstract has been determined by the Council of the Issuer to contain sufficient information to give notice of the contents of such Ordinance, published once each week for 2 successive weeks, with not less than six full days between each publication, the first such publication to be not less than 10 days before the date stated below for the public hearing, in *The Intelligencer*, a newspaper published and having a general circulation in The City of Wheeling, together with a notice to all persons concerned, stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2013 Bonds described in this Ordinance and that any person interested may appear before the Council at the public hearing to be had at a public meeting of Council on the 2nd day of April, 2013, at 7:00 p.m., in the Council Chambers of the City Hall, Wheeling and present protests, and that a certified copy of this Ordinance is on file with the City Clerk for review by interested parties during the office hours of the City Clerk. At such hearing all protests and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises.

[Remainder of Page Intentionally Blank]

This Ordinance shall become effective following public hearing hereon in accordance with the Act.

First Reading:	March 19, 2013
Second Reading:	April 2, 2013
Effective following Public Hearing held on:	April 16, 2013

[SEAL]

_____
Mayor

ATTEST:

_____
City Clerk

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the City Council of THE CITY OF WHEELING at a regular meeting of the City Council held on April 16, 2013, pursuant to proper notice, at which meeting a quorum was present and acting throughout, and which Ordinance was enacted following a public hearing thereon, notice of which public hearing was published once a week for two successive weeks in a newspaper having a general circulation in the City of Wheeling, the first publication having been not less than 10 days prior to such public hearing as supplemented by Supplemental Resolution duly adopted on _____, 2013.

Dated: _____, 2013.

[SEAL]

_____
City Clerk

EXHIBIT A - SERIES 2013 BOND FORM

[DTC Legend]

No. AR-_____ $_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
_____%	_____	_____	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on _____ 1 and _____ 1, in each year, beginning _____ 1, 20__ (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $_____ designated "The City of Wheeling Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on _____, 2013, and supplemented by a supplemental resolution adopted by said Council on _____, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

[The Series 2013 Bonds are additionally secured, but only to the extent described in the Statement of Insurance printed on the Bonds, by a policy of municipal bond insurance issued by [Bond Insurer]___.]

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Bonds maturing on and after _____, 20____, are subject to redemption prior to maturity at the option of the Issuer on or after _____, 20_____, in whole at any time and in part on any Interest Payment Date, as directed by the Issuer, in reverse order of maturity and by lot within a maturity, at the following Redemption Prices (expressed as percentages of the principal amount of Bonds to be redeemed), plus interest accrued thereon to the date fixed for redemption:

Period During Which Redeemed (Dates Inclusive)	Redemption Price

(B) Mandatory Sinking Fund Redemption. The Bonds maturing on _____, 20_____ and 20_____ are subject to annual mandatory sinking fund redemption prior to maturity by random selection as may be determined by the Registrar, on _____ 1 of the years and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing _____ 1, 20

_____	Year (1)	Principal Amount

Bonds Maturing _____ 1, 20

_____	Year (1)	Principal Amount

_____

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by

the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Paying Agent on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Bonds except for accrued interest thereon shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not

exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and Clerk, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

[Manual or facsimile signature]
Mayor

ATTEST:

[Manual or facsimile signature]
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: _____, 2013.

_____,
As Registrar

By _____
Its Authorized Officer

STATEMENT OF INSURANCE

[Bond Insurance Legend]

(FORM OF)
ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SUPPLEMENTAL PARAMETERS RESOLUTION

SUPPLEMENTAL RESOLUTION AUTHORIZING AND APPROVING CERTAIN PARAMETERS AS TO DATES, AMOUNTS, MATURITIES, INTEREST RATES, REDEMPTION PROVISIONS, PURCHASE PRICE AND OTHER DETAILS AS TO THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX-EXEMPT) OF THE CITY OF WHEELING; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT, A REGISTRAR AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT; AN OFFICIAL STATEMENT, A CERTIFICATE OF DETERMINATIONS AND OTHER INSTRUMENTS RELATING TO 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 Wheeling (the "Issuer" or "Governmental Agency") has duly and officially adopted and enacted a bond ordinance, effective April 16, 2013 (the "Bond Ordinance"), entitled:

AN ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE WATERWORKS PORTION OF THE EXISTING COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $49,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT); PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS RELATING TO THE BONDS; AND ENACTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

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

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

WHEREAS, the Ordinance provided for the issuance by the Issuer of its Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax-Exempt), in the aggregate principal

amount of not more than $49,500,000 (the "Series 2013 Bonds"), for the purposes of paying a portion of the costs of acquisition and construction of additions, betterments and improvements to the System capitalizing interest on the Series 2013 Bonds, funding a reserve account for the Series 2013 Bonds and paying costs of issuance thereof, all in accordance with Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act");

WHEREAS, the Ordinance further provided that the exact dates, amounts, maturities, interest rates, redemption provisions, purchase price and other terms of the Series 2013 Bonds should be established by a supplemental resolution, that a Registrar, Paying Agent and Depository Bank be designated, that a Bond Purchase Agreement, a Continuing Disclosure Agreement, a Registrar Agreement, a Preliminary Official Statement and an Official Statement be approved and that other matters pertaining to the Series 2013 Bonds be provided for by a supplemental resolution of the Governing Body, that additional covenants and provisions relating to the Bonds be provided therein, and that other matters pertaining to the Series 2013 Bonds be provided for by a supplemental resolution of this Governing Body and a certificate of determinations executed by the Mayor and the City Manager;

WHEREAS, the Series 2013 Bonds are proposed to be purchased by Piper Jaffray and Co. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement between the Original Purchaser and the Issuer, to be dated the date of execution thereof and in general form attached hereto and incorporated herein by reference (the "Bond Purchase Agreement");

WHEREAS, the Governing Body wishes to delegate to the Mayor and City Manager the authority to approve, within the parameters set forth herein and in the Ordinance, the final terms of the Bonds and all provisions of all documents relating to the Series 2013 Bonds (the "Bond Documents"), without the requirement of further official action by this Governing Body; and

WHEREAS, the Governing Body deems it essential and desirable that this Supplemental Resolution be adopted, that the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Registrar Agreement hereinafter provided for be entered into by the Issuer, that the Preliminary Official Statement and Official Statement relating to the Series 2013 Bonds, hereinafter described, be approved, that the Issuer's Mayor and City Manager be authorized to execute the Certificate of Determinations and enter into the Bond Purchase Agreement, all within the parameters hereby approved by the Governing Body, and that other matters relating to the Series 2013 Bonds be herein provided for, all in accordance with said Ordinance.

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

Section 1. Pursuant to the Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2013 Bonds. The Series 2013 Bonds shall be issued in the aggregate principal amount not to exceed $42,000,000, bear interest at a true interest rate not to exceed 5.0% payable semiannually, shall mature in not more than 30 years from the date of issue, shall be dated such date, upon original issuance, shall mature in such principal amounts on such dates, and shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor and City Manager pursuant to their execution of the Certificate of Determinations and the Series 2013 Bonds shall be substantially in the form set forth in the Ordinance, provided however, that the specific terms of the Series 2013 Bonds shall be as determined by the Mayor and City Manager at the

time of the execution of the Bond Purchase Agreement and as approved by the Mayor and City Manager in the Certificate of Determinations attached hereto as EXHIBIT A. All other provisions relating to the Series 2013 Bonds shall be as provided in the Ordinance.

Section 2. The Bond Purchase Agreement by and between the Original Purchaser and the Issuer, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved, and directed. The Mayor and City Manager shall execute the Bond Purchase Agreement on behalf of the Issuer with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Bond Purchase Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Series 2013 Bonds, including the payment of all necessary fees and expenses in connection therewith.

Section 3. The Continuing Disclosure Agreement by and between the Issuer and the Original Purchaser, to be dated as of the date of delivery of the Series 2013 Bonds, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Continuing Disclosure Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Continuing Disclosure Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section. WesBanco Bank, Inc. is hereby appointed as dissemination agent under the Continuing Disclosure Agreement.

Section 4. The Preliminary Official Statement to be substantially in the form attached hereto (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Mayor and City Manager), and the distribution of counterparts or copies thereof by the Original Purchaser are hereby approved. The Mayor and City Manager shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Official Statement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section. The certificate of the Issuer relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Mayor and City Manager is hereby ratified and approved.

Section 5. The Registrar Agreement by and between the Issuer and the Registrar designated herein, to be dated as of the date of delivery of the Series 2013 Bonds, substantially in the form submitted to this meeting, shall be and the same is hereby approved. The Mayor and City Manager shall execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Registrar Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

Section 6. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Series 2013 Bonds.

Section 7. The Issuer does hereby appoint and designate WesBanco Bank, Inc., Wheeling, West Virginia for the purpose of serving in the capacity of Registrar.

Section 8. The Issuer does hereby appoint and designate WesBanco Bank, Inc., Wheeling, West Virginia as the Depository Bank.

Section 9. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission for the purpose of serving in the capacity of Paying Agent.

Section 10. The notice addresses for the Registrar, Paying Agent and Original Purchaser shall be as follows:

REGISTRAR

WesBanco Bank, Inc.
One Bank Plaza
Wheeling, West Virginia 26003
Attention: Corporate Trust Department

PAYING AGENT

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 117
Charleston, West Virginia 25302
Attention: Executive Director

ORIGINAL PURCHASER

Piper Jaffray & Co.
405 Capitol Street
Charleston, West Virginia 25301
Attention: Public Finance

Section 11. The City Manager, Mayor and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates, including a tax and arbitrage certificate, required or desirable in connection with the Series 2013 Bonds issue to the end that the Series 2013 Bonds may be delivered as provided in the Bond Purchase Agreement.

Section 12. The financing of the project with proceeds of the Series 2013 Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 13. This Supplemental Resolution shall be effective immediately.

Adopted this 7th day of May, 2013.

THE CITY OF WHEELING

By: _____
Its: Mayor

[SEAL]

By: _____
Its: City Manager

Attest:

_____
City Clerk

CERTIFICATION

Certified a true, correct and complete copy of a Supplemental Resolution duly adopted by the Council of THE CITY OF WHEELING on the 7th day of May, 2013.

Dated: _____, 2013.

[SEAL]

_____
City Clerk

964250.00061

5891661

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

The City of Wheeling
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013

CERTIFICATE OF DETERMINATIONS

The undersigned, Andrew McKenzie, Mayor and the undersigned, Robert Herron, City Manager of The City of Wheeling (the "Issuer"), in accordance with the Supplemental Parameters Resolution adopted by the Council of the Issuer on May 7, 2013 (the "Supplemental Parameters Resolution"), with respect to the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Series 2013 Bonds"), hereby finds and determines this _____ day of May, 2013 as follows:

1. The Series 2013 Bonds shall be dated the date of closing thereon (estimated to be _____ _____, 2013) and shall bear interest on _____ and _____ of each year commencing _____, 2013.

2. The Series 2013 Bonds shall be issued in the aggregate principal amount of $____ _____, at a true interest cost of ___%. Such interest rates do not exceed _____%, being the maximum interest rate authorized by the Supplemental Parameters Resolution.

3. The Series 2013 Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. The Series 2013 Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

5. The Series 2013 Bonds shall be subject to optional and mandatory redemption as set forth on Schedule 2 attached hereto and incorporated herein.

6. The Series 2013 Bonds shall be sold to Piper Jaffray & Co., (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, at an aggregate purchase price of $_____ (representing par value less an Underwriter's discount of $_____ and a net original issue discount of $_____).

7. The forms of the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Registrar Agreement and Official Statement attached hereto are hereby approved.

The undersigned hereby certifies that the foregoing terms and conditions of the Series 2013 Bonds are within the parameters prescribed by the Supplemental Parameters Resolution, and the Series 2013 Bonds may be issued with such terms and conditions as authorized by the Supplemental Parameters Resolution.

WITNESS our signatures the day and year first written above.

THE CITY OF WHEELING

By: _____
Its: Mayor

By: _____
Its: City Manager

Schedule 1

SERIES 2013 BOND TERMS

Mandatory Sinking Fund Redemption and Maturity

Bond No.	Maturity Date or Sinking Fund (_____1)	Principal Amount	Interest Rate	Price or Yield	CUSIP No.
AR-1	_____1	$_____	_____%	_____%	_____

Schedule 2

Redemption Provisions:

Optional Redemption

The Series 2013 Bonds maturing on or after _____, 20___, are subject to redemption on or after _____, 20___, at the option of the Governing Body, in whole at any time or in part on any interest payment date, from any moneys available for such purpose, at the applicable Redemption Price (expressed as a percentage of principal amount to be so redeemed) set forth in the table below, plus interest, if any, accrued to the date fixed for redemption:

Redemption Period	**Redemption Price**
_____, 20___ and thereafter	100%

In the event of such optional redemption, the Governing Body may direct the maturity or maturities of the Bonds and the amounts thereof to be redeemed, provided that the Bonds will be redeemed in whole multiples of $5,000 in principal amount and in the minimum principal amount of $50,000.

Appendix F

RATE TARIFFS

APPENDIX G

Form of Continuing Disclosure Agreement

This Continuing Disclosure Agreement (the "Agreement") is by and between the City of Wheeling, West Virginia (the "Issuer"), and WesBanco Bank, Inc. (the "Dissemination Agent"), in connection with the issuance of $_____ The City of Wheeling, West Virginia Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Bonds"). The Bonds are being issued pursuant to the Ordinance enacted by the City Council of the City on April 16, 2013 (the "Original Ordinance"), as supplemented by a supplemental parameters resolution adopted by the Council of the City on May 7, 2013 (the "Supplemental Resolution" and collectively with the Ordinance, hereinafter the "Ordinance"). The Issuer and Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of Agreement. The Agreement is being executed and delivered by the Issuer and Dissemination Agent for the benefit of the holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with SEC Rule 15c2-l2(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance and the Bond Purchase Agreement dated _____, 2013, which apply to any capitalized term used in the Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean the financial information (which shall be based on financial statements prepared in accordance with generally accepted accounting principles ("GAAP")) and operating data with respect to the Issuer, provided at least annually, of the type included in those sections of the final official statement with respect to the Bonds attached thereto as Appendix C, which Annual Financial Information shall include Audited Financial Statements if available on the Report Date, and, if not then available, unaudited financial statements.

"Audited Financial Statements" shall mean the Issuer's annual financial statements, prepared in accordance with GAAP, which financial statements shall have been audited by a firm of independent certified public accountants.

"Beneficial Owner" shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Disclosure Representative" shall mean the current Mayor, City Manager, Utility Manager or Finance Director of the Issuer.

"Dissemination Agent" shall initially mean WesBanco Bank, Inc., or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access System described in the 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board for purposes of the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of the Agreement.

"National Repository" shall mean the Municipal Securities Rulemaking Board, Washington, D.C., the sole Nationally Recognized Municipal Securities Information Repository for purposes of the Rule, effective as of July 1, 2009.

"Participating Underwriter" shall mean the original underwriter(s) of the Bonds who are required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each National Repository.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of West Virginia.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 300 days after the end of the Issuer's fiscal year (presently June 30) (the "Due Date"), commencing with the report for the Fiscal Year ending June 30, 2013, provide to EMMA Annual Financial Information and Audited Financial Statements, which are consistent with the requirements of Section 4 of the Agreement. The Annual Financial Information and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of the Agreement. The Issuer shall provide the Dissemination Agent with a copy of each report filed under the Agreement. If the Issuer's fiscal year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 5(a). The Dissemination Agent shall send written notice to the Issuer thirty (30) days prior to the Due Date of the Annual Financial Information and Audited Financial Statements that such information is due by the Due Date.

(b) Not later than fifteen (15) Business Days prior to the Due Date, the Issuer shall provide the Annual Financial Information and Audited Financial Statements to the Dissemination Agent. If by the Due Date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer to determine if the Issuer is in compliance with the first sentence of this subsection (b). If the Dissemination Agent is unable

to provide to EMMA its Annual Financial Information and Audited Financial Statements by the date required in subsection (a), the Dissemination Agent shall send a notice to EMMA in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall file a report with the Issuer certifying that the Annual Financial Information and Audited Financial Statements have been provided to EMMA pursuant to the Agreement and the date provided.

SECTION 4. Content of Annual Financial Information. Within 300 days of the Issuer's 2013 fiscal year-end, and each subsequent fiscal year, the Dissemination Agent shall submit to EMMA information and data of the Issuer for the prior fiscal year, including the Audited Financial Statements, prepared in accordance with generally accepted accounting principles in effect from time to time.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events in a timely manner, not in excess of 10 business days, following the occurrence of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

7. Modifications to rights of security holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership, or similar event of the Issuer[1];

13. The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action; or the termination of a definitive agreement relating to any such actions, other than pursuant to its term, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Dissemination Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Disclosure Representative, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws, in any event such determination must be made and submitted to the Dissemination Agent within two (2) business days.

(d) If the Issuer determines that knowledge of the occurrence of any of the Listed Events, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would be material under applicable federal securities laws pursuant to subsection (b) or the Issuer received notice of any Listed Event that does not require a finding of materiality classified under Section 5(a) (1), (3), (4), (5), (6), (9), (11) or (12), the Issuer shall promptly file with the Dissemination Agent a notice of such occurrence to be provided to EMMA.

---

1 For the purposes of the event identified in Section 5(a)(12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(e) If in response to a request under subsection (b), the Issuer determines that the Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would not be material under applicable federal securities laws, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with EMMA with a copy to the Issuer. The Dissemination Agent must file such notice with EMMA within ten (10) business days of the occurrence of such Listed Event.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under the Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for any of the Listed Events under Section 5(a).

SECTION 7. Dissemination Agent. WesBanco Bank, Inc., is hereby appointed as Dissemination Agent. The Issuer may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist it in carrying out its obligations under the Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to the Agreement.

SECTION 8. Amendment, Waiver. Notwithstanding any other provision of the Agreement, the Issuer may amend the Agreement, and any provision of the Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Ordinance for amendments to the Ordinance with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of the Agreement, the Issuer shall describe such amendment in the next Annual Financial Information and Audited Financial Statements, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for any of the Listed Events under Section 5(a), and (ii) the Annual Financial Information and Audited Financial Statements for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in the Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in the Agreement or any other means of communication, or including any other information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events, in addition to that which is required by the Agreement. If the Issuer chooses to include any information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events in addition to that which is specifically required by the Agreement, the Issuer shall have no obligation under the Agreement to update such information or include it in any future Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events.

SECTION 10. Default. In the event of a failure of the Issuer or Dissemination Agent to comply with any provision of the Agreement (and, at the request of the Original Purchasers), the Dissemination Agent may or any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer or Dissemination Agent to comply with its obligations under the Agreement. A default under the Agreement shall not be deemed an Event of Default under the Ordinance, and the sole remedy under the Agreement in the event of any failure of the Issuer or Dissemination Agent to comply with the Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in the Agreement, and the Issuer agrees to the extent allowed by State law to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Notices. Any notices or communications to or among any of the parties to the Agreement may be given as follows:

To the Issuer:	City of Wheeling, West Virginia City County Building 1500 Chapline Street Wheeling, WV 26003
To the Dissemination Agent:	WesBanco Bank, Inc. ATTN: Corporate Trust 1 Bank Plaza Wheeling, WV 26003

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 13. Beneficiaries. The Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Counterparts. The Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15. Fees. The Issuer agrees to pay all fees and expenses of the Dissemination Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Dissemination Agent's duties.

SECTION 16. Right to Resign. The Dissemination Agent may resign at any time by providing thirty (30) days' written notice to the Issuer.

SECTION 17. Right to Counsel. The Dissemination Agent shall have the right to consult with counsel in carrying out its duties under the Agreement and to rely upon an opinion of counsel.

Date: _____, 2013

THE CITY OF WHEELING, WEST VIRGINIA

By: _____
Its: Mayor

WESBANCO BANK, INC.,
as Dissemination Agent

By: _____
Its: _____

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: The City of Wheeling (West Virginia)

Name of Issue: $_____ The City of Wheeling, West Virginia Combined Waterworks and Sewerage System Revenue Bonds, Series 2013

Date of Issuance: _____, 2013

Notice is hereby given that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by its covenant made in connection with the above-referenced bond issue. The Issuer anticipates that the Annual Report will be filed by _____.

Dated this _____.

THE CITY OF WHEELING, WEST VIRGINIA

By: _____
Its: Mayor

By: _____
Its: City Manager

NEW ISSUE-FULL BOOK ENTRY Rating: (See "Ratings" herein)

In the opinion of Steptoe & Johnson, PLLC, Bond Counsel, under existing statutes and court decisions and assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2013 Bonds is excludable from gross income of the holders thereof for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and purposes of calculating the alternative minimum tax. It should be noted, however, that with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. Further, in the opinion of Bond Counsel, under existing laws of the State of West Virginia, as presently written and applied, the Series 2013 Bonds and the interest thereon are exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof. See "TAX MATTERS" herein.

$38,255,000
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

Dated: Date of Delivery **Due: June 1, as shown below**

The Series 2013 Bonds shall be issued only as fully registered Series 2013 Bonds, and when initially issued, will be registered to Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry form only and beneficial owners of the Series 2013 Bonds will not receive physical delivery of bond certificates. So long as DTC or its nominee is the registered owner of the Series 2013 Bonds, payments of the principal of and interest on such Series 2013 Bonds will be made directly to DTC. Disbursements of such payments to DTC participants is the responsibility of DTC, and disbursement of such payments to the beneficial owners is the responsibility of DTC participants (see "THE SERIES 2013 BONDS--Book-Entry Only System" herein).

The Series 2013 Bonds are being issued to provide funds, together with other funds available therefor; (i) to pay a portion of the costs of acquisition and construction of improvements and betterments to the waterworks portion of the System (the "Project"); (ii) to fund a reserve account for the Series 2013 Bonds; and (iii) to pay certain costs of issuance and related costs.

The Series 2013 Bonds are payable from and secured by the Gross Revenues derived from the City's combined waterworks and sewerage system and any additions, betterments and improvements thereto (the "System") on parity with the outstanding Prior Bonds, and from funds on deposit in the sinking funds created therefor, including the reserve accounts established therein. The Series 2013 Bonds do not constitute a corporate indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, and the City shall not be obligated to pay the Series 2013 Bonds or any premium or the interest thereon except from such Gross Revenues and such funds on deposit. Neither the credit nor the taxing power of the City shall be deemed to be pledged to, nor shall a tax ever be levied for, the payment of the principal of or the premium, if any, or interest on the Series 2013 Bonds.

The Series 2013 Bonds are subject to redemption prior to maturity as more fully stated herein.

WesBanco Bank Inc., Wheeling, West Virginia, is the Registrar and the West Virginia Municipal Bond Commission, Charleston, West Virginia, is the Paying Agent. Interest on the Series 2013 Bonds is payable semiannually on each June 1 and December 1, commencing December 1, 2013. Principal of the Series 2013 Bonds is payable on each June 1 in accordance with the schedule set forth below.

MATURITIES, AMOUNTS AND INTEREST RATES
Series 2013 Bonds
$8,705,000 Serial Bonds

Maturing (June 1)	Principal Amount	Interest Rate (%)	Yield (%)	CUSIP* Base #963270	Maturing (June 1)	Principal Amount	Interest Rate (%)	Yield (%)	CUSIP* Base #963270
2014	780,000	2.000	0.540	EM1	2020	400,000	2.000	1.920	EX7
2015	800,000	2.000	0.680	EN9	2020	500,000	3.000	1.920	ET6
2016	820,000	2.000	0.880	EP4	2021	750,000	2.000	2.190	EU3
2017	835,000	2.000	1.090	EQ2	2021	175,000	4.000	2.190	EY5
2018	850,000	3.000	1.330	ER0	2022	950,000	2.125	2.370	EV1
2019	875,000	3.000	1.630	ES8	2023	970,000	2.250	2.530	EW9

$3,090,000 4.000% Term Bonds due June 1, 2026** at 108.586% CUSIP: 963270EZ2*
$3,455,000 3.375% Term Bonds due June 1, 2029 at 97.877% CUSIP: 963270FA6*
$5,000,000 4.000% Term Bonds due June 1, 2033** at 102.910% CUSIP: 963270FC2*
$6,100,000 5.000% Term Bonds due June 1, 2038** at 110.521% CUSIP: 963270FD0*
$1,000,000 5.000% Term Bonds due June 1, 2043** at 109.646% CUSIP: 963270FE8*
$10,905,000 4.000% Term Bonds due June 1, 2043 at 97.775% CUSIP: 963270FB4*

The Series 2013 Bonds are offered when, as and if issued and received by the Underwriter, subject to prior sale, to withdrawal or modification of the offering without notice and to the unqualified approval of legality by Steptoe & Johnson PLLC, Charleston, West Virginia, Bond Counsel. Certain legal matters will be passed upon for the City by Rose Humway-Warmuth, Esq., Wheeling, West Virginia, counsel to the City. Certain legal matters will be passed upon for the Underwriter by Jackson Kelly PLLC, Charleston, West Virginia, as counsel to the Underwriter. It is expected that the Series 2013 Bonds will be available for delivery at DTC, New York, New York, on or about May 30, 2013.

Piper Jaffray & Co.

May 15, 2013

**Priced to first optional redemption date of June 1, 2023.



MAYOR
Andrew McKenzie

CITY MANAGER
Robert Herron

CITY COUNCIL
Gloria Delbrugge
Ken Imer
Robert Henry
David Miller
Don Atkinson
Eugene T. Fahey

CITY ADMINISTRATION
Janice L. Jones - City Clerk

BOND COUNSEL
Steptoe & Johnson PLLC
Charleston, West Virginia

COUNSEL TO THE CITY OF WHEELING
Rose Humway-Warmuth, Esq.
Wheeling, West Virginia

UNDERWRITER
Piper Jaffray & Co.
Charleston, West Virginia

UNDERWRITER'S COUNSEL
Jackson Kelly PLLC
Charleston, West Virginia

*CUSIP data on the cover page is provided by Standard & Poor's CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. The CUSIP numbers on the cover page hereof are being provided solely for the convenience of the Holders of the Bonds only at the time of issuance of the Bonds and none of the City or the Underwriter make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2013 Bonds in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by the City of Wheeling, West Virginia, or the Underwriters to give any information or to make any representations, other than as contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. The information set forth herein has been obtained from the City of Wheeling and other sources, which are believed to be reliable but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriters. The information and any expression of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the City of Wheeling, West Virginia, as it relates to the System, since the date hereof. This Official Statement is submitted in connection with the sale of securities referred to herein, and may not be reproduced or used, in whole or in part, for any other purposes.

The information contained in this Official Statement has been obtained from the City and other sources believed to be reliable, but the accuracy or completeness of such information is not guaranteed by, and should not be construed as a promise by any of the foregoing. The presentation of such information is intended to show recent historic information and is not intended to indicate future or continuing trends. No representation is made that the past experience, as shown by such financial and other information, will necessarily continue or be repeated in the future. This Official Statement contains, in part, estimates and matters of opinion, whether or not expressly stated to be such, which are not intended as statements or representations of fact or certainty, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City.

The Series 2013 Bonds shall not be or constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, and from the funds on deposit in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account therein with respect to the Series 2013 Bonds and the unexpended proceeds of the Series 2013 Bonds, with respect to the Series 2013 Bonds all as herein provided. No Holder or Holders of the Series 2013 Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the City to pay the Series 2013 Bonds or the interest thereon.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimated," "forecasted," "intended," "expected," "anticipated," "projected," "assumed" and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. For a discussion of certain of such risks and possible variations in results, see the information under "INVESTMENT CONSIDERATIONS."

You should make your own decision whether this offering meets your investment objectives and risk tolerance level. No federal or state securities commission has approved, disapproved, endorsed or recommend this offering. No independent person has confirmed the accuracy or truthfulness of this disclosure, nor whether it is complete.

The Ordinance has not been qualified under the Trust Indenture Act of 1939, as amended because of available exemptions therefrom.

The following sentence has been provided by the Underwriters for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

The Series 2013 Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency has determined or confirmed the accuracy of this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2013 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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OFFICIAL STATEMENT

relating to

$38,255,000
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

May 15, 2013

INTRODUCTION

This Official Statement, including the cover page and appendices, is provided for the purpose of setting forth certain information concerning the City of Wheeling, West Virginia (the "City"), the City's combined waterworks and sewerage system and the City's $38,255,000 in aggregate principal amount of Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Series 2013 Bonds"). The Series 2013 Bonds are being issued pursuant to the Constitution and laws of the State of West Virginia (the "State"), specifically Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance finally enacted by the Council of the City on April 16, 2013 (the "Ordinance"), as supplemented by a supplemental parameters resolution adopted by the Council of the City on May 7, 2013 (the "Supplemental Resolution" and collectively with the Ordinance, hereinafter the "Ordinance"). Certain capitalized terms used and not defined in this Introductory Statement are defined in the Ordinance.

The proceeds of the Series 2013 Bonds, together with other funds available therefor, will be used as follows: (i) to pay a portion of the costs of acquisition and construction of improvements and betterments (the "Project") to the waterworks portion of the combined waterworks and sewerage system of the City (the "System"); (ii) to fund a reserve account for the Series 2013 Bonds; and (iii) to pay certain costs of issuance and related costs.

There are outstanding obligations of the City which will rank on a parity with the Series 2013 Bonds as to liens, pledge, source of and security for payment, being (i) the Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program) (the "Series 2005 A Bonds"), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000, of which approximately $10,573,049 is outstanding as of March 31, 2013; (ii) the Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A (the "Series 2006 A Bonds"), dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000, of which approximately $10,835,000 is outstanding as of March 31, 2013; (iii) the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2010 A (the "Series 2010 A Bonds"), dated May 6, 2010, issued in the original aggregate principal amount of $4,455,000, of which approximately $3,055,000 is outstanding as of March 31, 2013; and (iv) the Combined Waterworks and Sewerage System Revenue Bonds, Series 2010

B (West Virginia SRF Program) (the "Series 2010 B Bonds"), dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000, of which approximately $7,768,650 is outstanding as of March 31, 2013 (collectively, the "Prior Bonds"). The City intends to defease the Series 2010 A Bonds prior to the issuance of the Series 2013 Bonds.

The Series 2013 Bonds and the Prior Bonds are payable from and secured by the Gross Revenues, as defined in the Ordinance, derived from the System and any additions, betterments and improvements thereto, and from funds on deposit in the Series 2013 Bonds Sinking Fund, including the Reserve Accounts therein. The Series 2013 Bonds do not constitute corporate indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations, and the City shall not be obligated to pay the Series 2013 Bonds or any premium or the interest thereon except from such Gross Revenues and such funds on deposit. Pursuant to the Ordinance, the City has covenanted and agreed to establish and collect just and equitable rates and charges for the use of the System and the services rendered thereby as will always produce Gross Revenues which shall be sufficient (i) to pay all Operating Expenses of the System and (ii) to leave a balance each year so long as the Series 2006 A Bonds are outstanding of at least 125%, thereafter so long as the Series 2010 A Bonds are outstanding of at least 120%, and thereafter of at least 115% of the maximum annual amount required in any year to pay principal of and interest on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 2013 Bonds, including the Prior Bonds. See "SECURITY FOR THE SERIES 2013 BONDS - Rate Covenant." The covenants relating to the Series 2010 A Bonds will be eliminated when the Series 2010 A Bonds are defeased.

The City may issue additional bonds on a parity with the Series 2013 Bonds for the purpose of (i) financing the cost of the design, acquisition or construction of extensions, additions, betterments or improvements to the System; (ii) refunding all or a portion of one or more series of Bonds, Prior Bonds or additional parity bonds hereafter issued; (iii) pay claims which may exist against the revenues or facilities of the System; or (iv) all of such purposes, subject, in each case, to certain tests and conditions provided for by the Ordinance (any such additional parity bonds are hereinafter referred to as the "Bonds"). See "SECURITY FOR THE SERIES 2013 BONDS - Additional Parity Bonds."

Brief descriptions of the Project, the Series 2013 Bonds, the Ordinance, certain provisions of the Supplemental Resolution, the System, the City, the Undertaking and certain provisions of the Act, are set forth in this Official Statement, as well as other information contained in the appendices hereto. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Ordinance, the Supplemental Resolution, the Undertaking, provisions of the Act and other applicable laws of the State are qualified in their entirety by reference to each such document or law. References herein to the Series 2013 Bonds are qualified in their entirety by reference to the form thereof included in the Ordinance and the information with respect thereto included in the aforesaid documents.

FINANCING PLAN

The Project

The Series 2013 Bonds are being issued to provide moneys for the Project which consists of acquiring and constructing certain additions, betterments and improvements to the waterworks portion of the System, including rehabilitating and/or replacing low service pumps and other existing equipment associated with pretreatment processes, namely pre-sedimentation, aeration, flocculation and sedimentation; replacing the existing blower building and equipment; replacing existing chemical and storage systems associated with taste and odor control, coagulation, disinfection, lead and copper control and fluoridation; replacing existing rapid sand filters with new state-of-the art membrane filters and related chemical feed systems for maintenance; constructing a filtration and administration building to contain the membranes, new chemical feed systems, new laboratory and SCADA controls; replacing the existing clearwell with a new above-ground storage tank; and making various other improvements associated with repairs or upgrades to electrical systems, mechanical systems, architectural features, structural systems and safety aspects needed at the water treatment plant.

The City opened bids on March 22, 2013. The low bid was $30,548,000. The City anticipates a two-year construction period.

Sources and Uses of Bond Proceeds

Sources of Funds			
Principal Amount of Series 2013 Bonds		$	38,255,000.00
Net Original Issue Premium			1,066,380.30
	TOTAL	$	39,321,380.30
Uses of Funds			
Deposit to Construction Fund		$	36,559,000.00
Deposit to Reserve Account (1)			2,223,418.76
Underwriter's Discount			344,295.00
Costs of Issuance (2)			194,666.54
	TOTAL	$	39,321,380.30

(1) An amount not to exceed the maximum annual debt service on the Series 2013 Bonds/reserve requirement.

(2) Includes legal and financing fees, bond counsel fees, underwriter's counsel fees, rating, accounting, printing, escrow verification, registrar's fee and other miscellaneous expenses relating to the issuance of the Series 2013 Bonds.

THE SERIES 2013 BONDS

General

The Series 2013 Bonds are dated the date of delivery. All Series 2013 Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2013 Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2013 Bonds shall be in default, Series 2013 Bonds issued in exchange for Series 2013 Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2013 Bonds surrendered. The Series 2013 Bonds will bear interest from their date, payable semiannually on each June 1 and December 1 in each year (each an "Interest Payment Date"), commencing December 1, 2013, until maturity or until the date fixed for redemption if the Bond is called for prior redemption and payment on such date is provided for.

The Series 2013 Bonds will be issued as fully registered Series 2013 Bonds without coupons, in denominations of $5,000 or any integral multiples thereof for any year of maturity. Interest on the Series 2013 Bonds shall be payable by check or draft made payable and mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner thereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Series 2013 Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by WesBanco Bank, Inc., Wheeling, West Virginia, as registrar (in such capacity, the "Registrar") or, at the option of any Registered Owner of $1,000,000 or more of the Series 2013 Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to the Record Date by such Registered Owner. Principal of and premium, if any, on the Series 2013 Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender thereof at the principal corporate trust office of the Paying Agent.

Ownership of any Bond may be transferred only by transfer of registration presented to the Registrar by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or his duly authorized attorney or legal representative. Upon any such transfer of a Bond, there will be issued another Bond or Series 2013 Bonds, at the option of the Holder or transferee, of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond. For every exchange or transfer of Series 2013 Bonds, the Registrar may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer. Any applicable tax, governmental charge or charge to reimburse the Registrar for any tax or governmental charge

shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Series 2013 Bonds that have been called for redemption.

Optional Redemption

The Series 2013 Bonds maturing on or after June 1, 2024, are subject to optional redemption prior to their stated maturity in whole at any time or in part on any interest payment date on and after June 1, 2023, at the option of the City at the Redemption Price of 100%, plus accrued interest thereon to the date set for redemption.

Mandatory Sinking Fund Redemption

The Series 2013 Bonds maturing June 1, 2026, June 1, 2029, June 1, 2033, June 1, 2038, June 1, 2043 (CUSIP 963270FE8) and June 1, 2043 (CUSIP 963270FB4), are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years as may be determined by the Registrar and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2024	$ 990,000
2025	$1,030,000
2026*	$1,070,000

Bonds Maturing June 1, 2029

Year (June 1)	Principal Amount
2027	$1,115,000
2028	$1,150,000
2029*	$1,190,000

Bonds Maturing June 1, 2033

Year (June 1)	Principal Amount
2030	$1,230,000
2031	$1,280,000
2032	$1,330,000
2033*	$1,160,000

* Final Maturity

Bonds Maturing June 1, 2038

Year (June 1)	Principal Amount
2034	$1,210,000
2035	$1,215,000
2036	$1,220,000
2037	$1,225,000
2038*	$1,230,000

Bonds Maturing June 1, 2043 (CUSIP 963270FE8)

Year (June 1)	Principal Amount
2039	$ 190,000
2040	$ 195,000
2041	$ 200,000
2042	$ 205,000
2043*	$ 210,000

Bonds Maturing June 1, 2043 (CUSIP 963270FB4)

Year (June 1)	Principal Amount
2033	$ 225,000
2034	$ 230,000
2035	$ 295,000
2036	$ 360,000
2037	$ 430,000
2038	$ 505,000
2039	$1,625,000
2040	$1,695,000
2041	$1,770,000
2042	$1,845,000
2043*	$1,925,000

*Final Maturity

So long as the Series 2013 Bonds are maintained under a book-entry system, notice of the call for any redemption of the Series 2013 Bonds shall be given as described in "THE SERIES 2013 BONDS – Book-Entry Series 2013 Bonds."

Notice of Redemption

Unless waived by any Registered Owner of the Bonds to be redeemed, official notice of any redemption shall be given by the Registrar on behalf of the City by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Original Purchaser, and the Registered Owner of the Series 2013 Bond or Bonds, as applicable, to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Series 2013 Bonds, and failure to mail such notice shall not affect the validity of any such proceedings for the redemption of any portion of the Series 2013 Bonds for which there was no failure. After notice of redemption has been given in the manner hereinabove and in the Ordinance described, and moneys necessary therefor have been deposited with the Paying Agent, the Series 2013 Bonds specified in such notice shall on the date fixed for redemption be deemed paid, and interest thereon shall cease to accrue. Notice may also be given by acceptable electronic means.

Book-Entry Series 2013 Bonds

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant,

either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's

MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2013 A Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to Tender/Remarketing Agent's DTC Account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that City believes to be reliable, but City takes no responsibility for the accuracy thereof.

No Assurance Regarding DTC Practices

The City cannot and does not give any assurances that DTC, the Direct Participants or the Indirect Participants will distribute to the Beneficial Owners of the Series 2013 Bonds (1) payments of principal of or interest and premium, if any, on the Series 2013 Bonds, (2) confirmation of beneficial ownership interest in the Series 2013 Bonds, or (3) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Series 2013 Bonds, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "rules" applicable to DTC are on file with the Securities and Exchange Commission, and the current "procedures" of DTC to be followed in dealing with Direct Participants are on file with DTC.

Neither the City nor the Paying Agent shall have any responsibility or obligation to any Direct Participant, Indirect Participant, Beneficial Owner or any other person with respect to (1) the accuracy of any records maintained by DTC or any Participant; (2) the payment by DTC or any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption price of or interest on the Series 2013 Bonds; (3) the delivery by DTC or any Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Resolution to be given to Bondholders; or (4) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Series 2013 Bonds.

SECURITY FOR THE SERIES 2013 BONDS

The Series 2013 Bonds are special obligations of the City and are payable as to principal, premium, if any, and interest solely from the sources described below. The City is under no obligation to pay the Series 2013 Bonds except from said sources.

Sources of Payment

The payment of the debt service on all of the Series 2013 Bonds shall be secured equally and ratably by a first lien on the Gross Revenues derived from the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds, and all moneys in the Series 2013 Bonds Sinking Fund for each Series of Series 2013 Bonds, including the Reserve Account therein. Gross Revenues derived from the System in an amount sufficient to pay the principal of, premium, if any, and interest on the Prior Bonds and the Series 2013 Bonds and to make the payments into all funds and accounts and all other payments provided for in the Ordinance, and the funds in the Series 2013 Bonds Sinking Fund are irrevocably pledged to the payment of the principal of, premium, if any, and interest on the Prior Bonds and the Series 2013 Bonds as the same become due and for the other purposes provided in the Ordinance.

Rate Covenant

In the Ordinance, the City covenants and agrees that so long as the Prior Bonds are outstanding, the schedule or schedules of rates or charges from time to time in effect shall be

sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as set forth below, and thereafter, sufficient, together with other revenues of the System, to provide for all Operating Expenses of the System and 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 on the Series 2013 Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds including the Prior Bonds. Under the Prior Ordinances, the City has covenanted to collect fees and charges such that Gross Revenues after the payment of all Operating Expenses available for debt service which are at least 125% so long as the Series 2006 A Bonds are outstanding, thereafter at least 120% so long as the Series 2010 A Bonds are outstanding, and thereafter at least 115% of the average annual debt service on all Series 2013 Bonds and the Prior Bonds.

In the computation provided in the above paragraph, "revenues of the System" shall include increased Net Revenues estimated to be derived from any improvements under construction, and any change in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia, (without successful appeal), whether or not such approved rates are being charged and collected by the Issuer.

In the Ordinance, the City covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 90 days following a determination of the Independent Certified Public Accountant that less than the above required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

The City did not meet the coverage tests for the Prior Bonds for fiscal year 2012. The City enacted rate ordinances that are anticipated to produce revenues to meet such tests. See "Appendix C – Financial Statements of the City" and "Appendix F – Rate Tariffs." The City enacted a 17% sewer rate increase which took effect on the January 2013 billing cycle. The water rates attached herein in Appendix F will become effective upon issuance of the Series 2013 Bonds.

Reserve Account

Pursuant to the Ordinance, there will be created with the Bond Commission in the Series 2013 Bonds Sinking Fund a Reserve Account (the "Series 2013 Bonds Reserve Account") into which will be deposited an amount equal to the reserve requirement. See "Appendix E – Form of Bond Ordinance and Supplemental Resolution." Moneys in the Series 2013 Bonds Reserve Account shall be used only to pay principal of, or interest on the Series 2013 Bonds as due when other moneys in the Series 2013 Bonds Sinking Funds are insufficient therefor; provided, that any such moneys in excess of the Series 2013 Bond Reserve Requirement shall be withdrawn annually from the Series 2013 Bonds Reserve Account and deposited in the Series 2013 Bonds Sinking Fund. The City is required to restore any withdrawals from the Series 2013 Bonds

Reserve Account which have the effect of reducing the value of the funds therein below the Series 2013 Bonds Reserve Account Requirement from the first Gross Revenues available after all other required payments to the Sinking Fund, including any deficiencies for prior payments, have been made in full; provided, that such restoration is not required when the sum in the Series 2013 Bonds Sinking Fund, including the Series 2013 Bonds Reserve Account therein, is at least equal to the aggregate amount of Series 2013 Bonds outstanding, plus the amount of interest due or thereafter to become due on said Series 2013 Bonds.

The reserve accounts for the Prior Bonds are fully funded. Simultaneously with the issuance of the Series 2013 Bonds, the City intends to cash fund from Bond proceeds the Reserve Account to the reserve requirement.

Renewal and Replacement Fund

The City is required after the payments into the Series 2013 Bonds Sinking Fund described above and the sinking funds created for the Prior Bonds and after the payment of Operating Expenses, on the first day of each month, commencing with the first month in which interest is payable from the Revenue Fund, to transfer to the Renewal and Replacement Fund a sum equal to five percent (5%) so long as the Series 2006 A Bonds are outstanding and two and one half percent (2½%) thereafter of the Gross Revenues each month, exclusive of any payments for the Series 2013 Bonds Reserve Account in the Series 2013 Bonds Sinking Fund and the reserve accounts and sinking funds of the Prior Bonds.

Withdrawals and disbursements from the Renewal and Replacement Fund shall be made (a) to pay the reasonable costs of replacements, emergency repairs, improvements or extensions to the System; or (b) to make up any deficiency in the Reserve Accounts.

Application of Revenues

All Gross Revenues are to be deposited in the Revenue Fund established with a State banking corporation or national banking association selected by the City (the "Depository Bank"), for disposition in the following order of priority (except as described below): (1) first, (i) for monthly deposit in the Prior Bonds Sinking Funds, the amount required by the Prior Ordinances to pay the interest on and principal of the Prior Bonds; (ii) beginning seven months prior to the first interest payment date of the Series 2013 Bonds, for deposit in the Series 2013 Bonds Sinking Fund, a sum equal to 1/6 of the amount of interest which will become due on the Series 2013 Bonds on the next ensuing semiannual interest payment date, and (iii) beginning 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2013 Bonds, for deposit in the Series 2013 Bonds Sinking Fund, and the Redemption Account therein in the case of the Term Bonds which are to be redeemed, a sum equal to 1/12 of the amount of principal which will mature or be redeemed and become due on the Series 2013 Bonds on the next ensuing annual principal payment date or mandatory Redemption Date (provided that, in the event the period to elapse between the date of such initial deposit in the Series 2013 Bonds Sinking Fund and the next ensuing annual principal payment date or mandatory Redemption Date is more or less than 13 months, then such monthly payments shall

be decreased or increased proportionately to provide, 1 month prior to the next ensuing annual principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date); (2) next, to pay from the Revenue Fund, the current monthly Operating Expenses of the System; (3) next, for restoration of any deficiency in the funding of the Reserve Accounts; and (4) then, for monthly transfer to the Renewal and Replacement Fund, a sum equal to not less than five percent so long as the Series 2006 A Bonds are outstanding and two and one-half percent thereafter of the Gross Revenues (less any amount transferred to the Reserve Accounts) received during the preceding month. Any amounts not required for deposits as set forth in (1) through (4) above shall be considered "system revenue" and such system revenue may be used for any lawful purpose of the System.

As described under "Sources of Payment" above, the Series 2013 Bonds are secured by the Gross Revenues of the System.

Enforcement of Collections

The City covenants in the Ordinance to diligently enforce and collect all fees, rates, 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, rates, rentals and other charges that 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. Such fees, rates, rentals and charges, if not paid when due, shall, to the extent allowed by the Act, become a lien on the premises served by the System.

The City further covenants and agrees that it will, subject to applicable State law and regulations, and under such reasonable rules and regulations as may be prescribed by the Public Service Commission of West Virginia and the City, discontinue and shut off the services and facilities of the System to all delinquent users of the System and will not restore such services of the System until all delinquent amounts, plus reasonable interest penalty charges for the restoration of service, have been fully paid.

Additional Parity Bonds

The Ordinance provides for the issuance of additional bonds on a parity with the Series 2013 Bonds with respect to their lien on the Gross Revenues of the System and their source of and security for payment from said Gross Revenues (the "Additional Parity Bonds") for the following purposes and under the following conditions:

No such Additional Parity Bonds shall be issued except for the purpose of (i) financing the costs of the acquisition or construction of extensions, additions, betterments or improvements to the System; (ii) refunding all or a portion of one or more series of Bonds, Prior Bonds or Additional Parity Bonds; (iii) pay claims which may exist against the revenues or facilities of the System; or (iv) all such purposes.

So long as the Prior Bonds are Outstanding, the limitations and requirements on the issuance of parity obligations set forth in the respective Prior Ordinances shall be applicable.

So long as the Series 2013 Bonds are Outstanding, no Additional Parity Bonds shall be issued at any time unless and until there has been procured a written statement by an Independent Certified Public Accountant, reciting the conclusion that the Net Revenues actually derived from the System, during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 2 Fiscal Years immediately following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of Maximum Annual Debt Service, on the following:

(1) The Bonds then Outstanding;

(2) Any Additional Parity Bonds theretofore issued pursuant to the provisions contained in the Prior Ordinances and the Ordinance then Outstanding; and

(3) The Additional Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the City, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia (without successful appeal), prior to the date of delivery of such Additional Parity Bonds, whether or not such approved rates are being charged and collected by the City.

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

The term "Additional Parity Bonds," as used above, shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien on the Revenues of the System of which is subject to the prior and superior lien of the Bonds on such Revenues. The City 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 the Ordinance, equally, as to lien and source of and security for payment from such Revenues, with the Bonds.

No additional parity Bonds shall be issued at any time, however, unless all the payments into the respective funds and accounts provided for in the Ordinance with respect to the Bonds then Outstanding, and any other payments provided for in the Ordinance, shall have been made in full as required to the date of issuance of the Additional Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Ordinance and the Prior Ordinances. See "Appendix E – Form of Bond Ordinance and Supplemental Resolution."

Provided, however, that if the audit by an Independent Certified Public Accountant for the Issuer for the Fiscal Year immediately preceding the proposed issuance of Additional Parity Bonds states that the City was not in compliance with the rate covenant in the Ordinance for the year being audited and the City has, as required by the Ordinance, enacted a rate ordinance seeking a rate increase sufficient to comply with the Ordinance, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Ordinance, so as to prevent the City from issuing Additional Parity Bonds under the Ordinance.

This provision does not, in any way, modify or amend the requirements in the Prior Ordinances related to the issuance of Additional Parity Bonds when the audit for the prior fiscal year states that the City was not in compliance with the rate covenant in the Prior Ordinances or the Ordinance.

The City anticipates that it will from time to time issue additional parity bonds to finance the costs of improvements to the System.

THE CITY

The City of Wheeling is a political subdivision and Class II City of the State of West Virginia. Located in Ohio County (as the seat of County government) in the northern panhandle of West Virginia, the City of Wheeling is the third largest city in the State and has a population of 28,355. See "Appendix A – The City of Wheeling and Ohio County" herein.

City Government

The City Government is organized under the "Manager-Mayor Plan", Plan V of the charter plans authorized by Chapter 8, Article 3, Section 2 of the Code of West Virginia, 1931, as amended. Within the provisions of this Plan, the City elects a Council comprised of six members, on a ward basis, and a Mayor, at large, each for four (4) year, non-staggered, terms. Council appoints a City Manager, who may only be removed upon the vote of five of the seven elected officials. Council, including the Mayor, constitutes the governing body of the City. The City Manager is the administrative authority. The City Manager manages the affairs of the City under the supervision of the Council and is responsible to such Council. The City Manager

appoints or employs all subordinates and employees for whose duties or work he is responsible to the Council.

THE SYSTEM

The City of Wheeling commenced the operation of a public water system over 165 years ago and has provided a system of storm and sanitary sewers since the late 1800's. The City has always operated its water system. However, beginning in 1954 at the time of construction of the City's first sewage treatment plant, until 1982, the sewerage system was operated, maintained and controlled by a Sanitary Board, independent of City Council, pursuant to Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended. In 1982, the City terminated the Sanitary Board and transferred control of the Sewerage System to the City under the jurisdiction of the Water Pollution Control Department, and separate from the Water Department. The System operates as a combined water and sewer system for debt purposes pursuant to the Act. The description of the operations and financial affairs of each, as described in Appendix B, is separate and distinct, as each continues to be operated on an individual basis.

Coverage Ratios

Under the Ordinance, the City has covenanted to collect fees and charges such that Gross Revenues after the payment of all Operating Expenses available for debt service which are at least 125% so long as the Series 2006 A Bonds are outstanding, thereafter at least 120% so long as the Series 2010 A Bonds are outstanding, and thereafter at least 115% of the average annual debt service on all Series 2013 Bonds and the Prior Bonds. See "SECURITY FOR THE SERIES 2013 BONDS -- Rate Covenant," herein. The City intends to defease the Series 2010 A Bonds prior to the issuance of the Series 2013 Bonds.

The following table presents the historical debt service coverage ratio for the Prior Bonds for the fiscal years ended June 30, 2011 and June 30, 2012, estimated coverage for fiscal year ending June 30, 2013, and projected coverage for the Prior Bonds and the Series 2013 Bonds for the fiscal years ended June 30, 2014 and June 30, 2015. Projected debt service coverage for the fiscal years ended June 30, 2014 and June 30, 2015 in the table below does not include the Series 2010 A Bonds. See "Appendix B – The System."

	Historical		Actual	Projected		
	2010*	2011*	2012*	2013	2014	2015
GROSS REVENUES						
Operating Revenues - Sewer (1)	5,364,545	5,367,160	5,200,767	5,187,765	5,174,796	5,161,859
Operating Revenues - Water (1)	5,968,043	6,284,132	6,316,614	6,300,822	6,285,070	6,269,358
Plus: Other Income and Contributions (1)	13,705	10,936	8,201	8,180	8,160	8,140
Plus: Estimated Revenues from Approved Rate Increases - Sewer (2)				1,060,185	1,057,534	1,054,890
Plus: Estimated Revenues from Approved Rate Increases - Water (3)				3,357,831	3,349,436	3,341,063
Gross Revenues to pay Operating Expenses	11,346,293	11,662,228	11,525,582	15,914,784	15,874,997	15,835,309
OPERATING EXPENSES (4)						
Operating expenses - Sewer	4,768,848	4,976,116	5,063,426	5,209,469	5,359,075	5,489,836
Operating expenses - Water	4,830,578	4,989,091	5,313,616	5,443,268	5,576,084	5,712,140
Less: Depreciation and Adjustments	(2,050,797)	(2,167,755)	(2,199,077)	(2,252,734)	(2,307,701)	(2,364,009)
Plus: Estimated Increase for Project O&M and Membrane Sinking Fund (5)						358,760
Operating Expenses for Debt Service Coverage	7,548,629	7,797,452	8,177,965	8,400,002	8,627,457	9,196,727
NET REVENUES	3,797,664	3,864,776	3,347,617	7,514,781	7,247,540	6,638,582
MAXIMUM ANNUAL DEBT SERVICE	2,483,341	3,005,480	3,005,480	4,401,367	4,401,367	4,401,367
DEBT SERVICE COVERAGE	153%	129%	111%	171%	165%	151%

(1) Assumes a decline of .25% in 2013, 2014 and 2015, to reflect decline in sales.
(2) Assumes a 2.67% increase and a 17.5% project increase effective in 2013, declining by .25% in 2014 and 2015 to reflect decline in sales.
(3) Assumes a 53.1% increase effective in 2013, declining by .25% in 2014 and 2015 to reflect decline in sales.
(4) Assumes increase of 2.44% annually in 2013, 2014 and 2015 to reflect inflation.
(5) Assumes additional operating costs for the new plant of $243,120 and membrane sinking fund costs of $115,640 for 2015.

*Source: Annual Audits

DEBT SERVICE REQUIREMENTS

The following table sets forth for each fiscal year during which Prior Bonds and the Series 2013 Bonds will be outstanding beginning Fiscal Year 2014 (July 1, 2013 – June 30, 2014) the amounts payable from Gross Revenues.

Year Ended June 30	Prior Bonds Debt Service	Series 2013 Principal	Series 2013 Interest	Series 2013 Total	Total Debt Service
2014	2,178,092.49	780,000	1,438,854.50	2,218,854.50	4,396,946.99
2015	2,177,292.47	800,000	1,419,268.76	2,219,268.76	4,396,561.23
2016	2,175,741.52	820,000	1,403,268.76	2,223,268.76	4,399,010.28
2017	2,178,778.62	835,000	1,386,868.76	2,221,868.76	4,400,647.38
2018	2,176,198.79	850,000	1,370,168.76	2,220,168.76	4,396,367.55
2019	2,180,447.19	875,000	1,344,668.76	2,219,668.76	4,400,115.95
2020	2,178,698.52	900,000	1,318,418.76	2,218,418.76	4,397,117.28
2021	2,176,198.56	925,000	1,295,418.76	2,220,418.76	4,396,617.32
2022	2,177,947.87	950,000	1,273,418.76	2,223,418.76	4,401,366.63
2023	2,176,587.34	970,000	1,253,231.26	2,223,231.26	4,399,818.60
2024	2,179,585.19	990,000	1,231,406.26	2,221,406.26	4,400,991.45
2025	2,176,734.95	1,030,000	1,191,806.26	2,221,806.26	4,398,541.21
2026	2,178,247.86	1,070,000	1,150,606.26	2,220,606.26	4,398,854.12
2027	1,738,195.84	1,115,000	1,107,806.26	2,222,806.26	3,961,002.10
2028	1,298,745.49	1,150,000	1,070,175.00	2,220,175.00	3,518,920.49
2029	1,298,743.94	1,190,000	1,031,362.50	2,221,362.50	3,520,106.44
2030	1,297,506.90	1,230,000	991,200.00	2,221,200.00	3,518,706.90
2031	1,295,008.41	1,280,000	942,000.00	2,222,000.00	3,517,008.41
2032	1,165,256.44	1,330,000	890,800.00	2,220,800.00	3,386,056.44
2033	771,975.00	1,385,000	837,600.00	2,222,600.00	2,994,575.00
2034	775,237.50	1,440,000	782,200.00	2,222,200.00	2,997,437.50
2035	771,737.50	1,510,000	712,500.00	2,222,500.00	2,994,237.50
2036	771,737.50	1,580,000	639,950.00	2,219,950.00	2,991,687.50
2037	-	1,655,000	564,550.00	2,219,550.00	2,219,550.00
2038	-	1,735,000	486,100.00	2,221,100.00	2,221,100.00
2039	-	1,815,000	404,400.00	2,219,400.00	2,219,400.00
2040	-	1,890,000	329,900.00	2,219,900.00	2,219,900.00
2041	-	1,970,000	252,350.00	2,222,350.00	2,222,350.00
2042	-	2,050,000	171,550.00	2,221,550.00	2,221,550.00
2043	-	2,135,000	87,500.00	2,222,500.00	2,222,500.00
TOTALS	39,494,695.89*	38,255,000	28,379,348.38	66,634,348.38	106,129,044.27

*Does not include the Series 2010 A Bonds.

INVESTMENT CONSIDERATIONS

Gross Revenue Pledge

The Series 2013 Bonds are secured solely by the Gross Revenues of the System. There can be no guarantee that current rates of the System will always produce revenue sufficient to pay the debt service on the Prior Bonds, the Series 2013 Bonds and any Additional Parity Bonds. The City has covenanted in the Ordinance to raise the rates of the System if the Gross Revenues of the System are not sufficient to provide the required coverage of the maximum annual debt

service of the Series 2013 Bonds and all bonds issued on a parity with the Series 2013 Bonds and the Prior Bonds. After enactment of a rate increase, however, if twenty-five percent or more of the City's customers or one of the City's wholesale customers file a petition protesting the rate increase, the Public Service Commission of West Virginia (the "Commission") will have jurisdiction to review and modify the rates of the City. If a rate increase is appealed, there can be no assurance that the Commission will approve the increase of rates and charges to a level sufficient to generate revenues sufficient to pay the debt service on the Prior Bonds and the Series 2013 Bonds and meet the coverage requirements. The Commission is not expressly statutorily required to set rates sufficient to satisfy the bond covenants of any combined waterworks and sewerage utility.

Gross Revenues sufficient to pay the debt service on the Series 2013 Bonds, the Prior Bonds and any Additional Parity Bonds also depend on the retention of current customers by the City. An unexpected loss of customers by the City could have an adverse effect on the ability of the City to make the required payments on the Series 2013 Bonds. Additionally, a significant reduction in the amount of water used by customers of the City may also have an adverse impact on the City's ability to make the required payments on the Series 2013 Bonds. The City does not have the authority to require citizens to accept potable water service by the System. Accordingly, any further extensions of the waterworks portion of the System by the City are dependent upon the City being able to obtain agreements with those potential customers to purchase water from the City. If the City is unable to obtain agreements from potential water customers after an extension is constructed, it may have an adverse impact on the ability of the City to make the required payments on the Series 2013 Bonds. The City has 5 resale customers that purchase water from the City. See "APPENDIX B – THE SYSTEM" herein. If a significant wholesale customer were to obtain water from some other source, it may have an adverse impact on the ability of the City to make the required payments on the Series 2013 Bonds.

Although water usage has been historically higher in the City, a combination of multiple businesses moving outside of the service area of the System and a decrease in the City's population have caused water usage to decrease in recent years.

Failure to Meet Coverage Requirement

The City did not meet the coverage tests for the Prior Bonds for fiscal year 2012. Following such determination, the City enacted rate ordinances that are anticipated to produce revenues to meet such tests. See "Appendix C – Financial Statements of the City" and "Appendix F – Rate Tariffs." The City enacted a 17% sewer rate increase which took effect on the January 2013 billing cycle. The water rates attached herein in Appendix F will become effective upon issuance of the Series 2013 Bonds.

Demographic and Economic Changes in the Service Area

Wheeling Downs, one of the City's five largest customers of the System is facing competition from new gaming establishments in Ohio and Pennsylvania. Wheeling Downs has

indicated that it may reduce or eliminate certain gaming activities. Such reduction may have an impact on the revenues paid to the City by Wheeling Downs. The City can make no representations with respect to the long term impact of gaming competition on Wheeling Downs and its rate/revenue impact.

There is possible growth in the Highlands shopping center area that may have an impact on the water consumption in the area.

The City is located in the Marcellus Shale play area which may have an impact on the water consumption in the area. See "Appendix B – The System."

Future Legislation

Current or future legislative proposals, if enacted into law, may cause interest on the Series 2013 Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent holders of the Series 2013 Bonds from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals may also affect the market price for, or marketability of, the Series 2013 Bonds. Prospective purchasers of the Series 2013 Bonds should consult their own tax advisors regarding any such pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

It is not an event of default on the Series 2013 Bonds if any legislation is enacted reducing or eliminating the exclusion of interest on state and local government bonds from gross income for federal income tax purposes.

The Public Service Commission of West Virginia

In West Virginia, municipal combined waterworks and sewerage utilities such as the City are subject to regulatory oversight by the Public Service Commission of West Virginia (the "Commission") in certain situations. Specifically, pursuant to Chapter 24, Article 2, Section 11 of the Code of West Virginia, 1931, as amended, utilities must obtain a certificate of public convenience and necessity prior to proceeding to construction for projects which are outside of "the normal course of business." Additionally, rate increases approved by the Council of the City are subject to review for regulatory "notice" requirements and, under certain circumstances, the actual proposed rates. Municipal combined waterworks and sewerage utilities in West Virginia do not have the ability to adjust rates without the possibility of regulatory review. The parameters surrounding this review are discussed below. Such regulatory review may delay or halt the implementation of rate increases which could cause the utility to fail to meet rate covenants or produce revenue sufficient to pay debt service.

The Commission has two levels of review. Most cases are initially assigned to an administrative law judge ("ALJ") for decision. The Commission employs a "staff" comprised of engineers, lawyers and financial analysts (the "Staff") to review cases and make recommendations. The City is also permitted to make recommendations, as are other parties who

are granted "intervenor" status. The ALJ may conduct a hearing, at which evidence is presented and witnesses for all parties may be cross-examined, after which a recommended decision is issued. Any party to the underlying proceeding, including a party granted intervenor status, may take exception to the recommended decision of the ALJ, in which case the matter is referred to the full Commission for decision.

Commission Regulatory Oversight of Rate Increases

Pursuant to Chapter 8, Article 11, Section 4, Chapter 8, Article 19, Section 11 and Chapter 24, Article 2, Section 4b of the Code of West Virginia, 1931, as amended, the Council of the City has the ability to establish rates for the combined waterworks and sewerage utility through the enactment of an ordinance, following a public hearing on such ordinance. In the enactment of such an ordinance, the City must comply with regulations of the Commission related to providing notice of such proposed rate increase. The Commission reviews the compliance of the City with such regulations and, if the Commission determines that the City has failed to satisfy the requirements of the regulations, the Commission may declare the rate ordinance invalid.

In such instance, the City would have no choice but to reenact the ordinance.

Commission Review of Proposed Rate Increases

Once enacted by the City, the proposed rates are subject to review by the Commission under the following scenarios:

1. More than 25% of the customers of the City sign a petition asking that the Commission review the rates proposed by the City; or

2. A customer of the City, which resides within the municipal boundaries of the City, alleges in writing that the rates being proposed by the City are "discriminatory"; or

3. A customer of the City, which resides outside of the municipal boundaries of the City, alleges in writing that the rates being proposed by the City are "discriminatory."

If any of the above occurs, the Commission then takes "jurisdiction" over the rates, initiating an investigation into the need for the proposed rates. Pursuant to Chapter 24, Article 2, Section 4b of the Code of West Virginia, 1931, as amended (the "PSC Act"), the rates enacted by the City are suspended for 120 days from the date the rates would otherwise have gone into effect (i.e., 45 days from enactment of the rate ordinance) and the new rates, if any, established by the Commission will go into effect at that end of the suspension period.

The Commission views the term "discrimination" to include more situations than those where a different rate is applied to resident and non-resident customers. The Supreme Court of Appeals of West Virginia previously affirmed the Commission's interpretation of the term "discrimination" when the court held that verified allegations, "which included the failure of the

[municipality] to perform a class cost of service study and the discriminatory imposition of certain costs to resale customers, were sufficient to meet the requirements" found in the PSC Act. *City of Wheeling v. Pub. Serv. Comm'n of W. Va.*, 199 W. Va. 252, 257, 483 S.E.2d 835, 840 (1997).

The City has 5 water resale customers. Any one resale customer may allege "discrimination," causing the Commission to take jurisdiction over any proposed rate increase. Likewise, any one customer located within the City limits may allege "discrimination," also causing the Commission to take jurisdiction over any proposed rate ordinance.

Potential Delays for the Enactment of Rate Increases

Generally, the process of enacting a rate ordinance requires a minimum of two weeks (two readings by Council, separated by sufficient time to allow for the publication of a public hearing prior to the second reading, with the first publication for the public hearing being not less than 5 days prior to the date of the publication). Pursuant to the PSC Act and regulations of the Commission, the rates cannot go into effect any sooner than 45 days from the date of enactment, provided that an appeal of the proposed rates does not occur. In the event that the Commission takes jurisdiction of the rate increase, the Commission will establish a decision due date for the ALJ, that is generally 30 days prior to the end of the 120-day suspension period. If any of the parties, however, appeal the ALJ's recommended decision to the full Commission, the Commission will render its decision no later than the end of the 120-day suspension period. Additionally, a decision of the Commission may be appealed to the Supreme Court of Appeals of West Virginia, which has no statutory time frame within which to render a decision.

Consequently, the time period from the first reading of a rate ordinance to the increased rates being charged to the customers is a minimum of 60 days, and if the Commission takes jurisdiction, can exceed 180 days (Commission approved rates are billable during an appeal to the Supreme Court of Appeals of West Virginia). From the date the new rates begin to be charged, the City should realize revenues in approximately 45 to 60 days. Resale customers are required to obtain authorization from the Commission for any necessary increase in resale rates. Such increases are often granted by the Commission after the rates for the City go into effect, which means no assurance exists that resale customers will have sufficient revenues to begin paying the increased resale rates. The Commission can, and has on occasion, pre-approved resale rate increases in advance of the effective date of the new rates. As a result, resale customers may have the ability to begin charging the new resale rates of the City as soon as the rates go into effect.

Test Year

If the Commission takes jurisdiction over a municipality's rate ordinance as described above, the regulations of the Commission require a municipality to file "financial justification" for the proposed rate increase. This financial justification must be based on financial data from the most recent actual audited or finally closed twelve-month period, also known as the "test year." Events which occur outside the test year are not generally permitted in the rate

adjustment. A determination at the end of any twelve-month period that a rate increase is necessary may not result in increased rates and collections for nine months or more from the end of that period.

The City has the option to proceed with a rate increase at any time during the course of the year, however, the financials examined by the Commission will be the financials for the most recent full fiscal year, not the 12-month period immediately preceding the date of the request.

Reliance on "Known and Measurable" Adjustments

When considering adjustments to the rates of a utility for costs occurring during the "test year," the Commission's regulations requires that the need for, and amount of, such adjustments be based on information that is "known and measurable." As a result, a change in revenues or expenses must, in most cases, have occurred in the test year being analyzed. If an increase in a cost, or a decline in revenue, is anticipated for the coming year, the Commission generally will not take such change into account for rate making purposes unless the change occurs during the test year.

As a result of the requirement that the support for adjustments be "known and measurable," the Commission will generally not allow multi-year rate increases to address anticipated inflation or drops in customer usage. Therefore, the City must initiate the rate ordinance process, and potential Commission review, whenever increased costs or decreased revenues necessitate a rate increase.

Emergency Rate Increase

The PSC Act permits utilities to request "emergency rates" if the utility is in "financial distress." Financial distress has been defined by the Commission to mean the utility is unable to pay operation and maintenance expenses and the principal and interest on the utility's debt obligations. Such rates, however, are subject to refund, in the event the Commission determines that the emergency rates, or any portion thereof, are not warranted. Generally, emergency rates CANNOT be obtained to meet coverage requirements in bond documents.

Treatment of Renewal and Replacement Funds

Most municipal combined waterworks and sewerage utilities in the State are required, pursuant to the terms of their outstanding bonds, to deposit 2.5% of gross revenues in a "Renewal and Replacement Fund" or "Depreciation Account" each month. The purpose of this account is to provide monies for capital repairs and improvements, to construct extensions and to make up deficiencies in the reserve funds. In recent years, the Commission has taken the position that while the deposits should be made into the Account each month, such deposits are to be included in the calculation of the City's funds available for capital additions for the Fiscal Year. The Commission generally calculates funds available for capital additions by averaging capital additions for the last five years; provided, however, the Commission will consider a different calculation if the utility can demonstrate the need for a higher capital requirement.

Consequently, the City is not permitted to accumulate funds to be used for unforeseen capital repairs and replacements, for needed extensions or to replenish draws from the reserve funds as the account is to be utilized each year as part of the ongoing capital expenditures for the system. The City's inability to maintain funds for emergencies increases its risk of utilizing revenues to pay for emergency repairs leaving insufficient funds to pay debt service on the Bonds.

Annual Municipal Audit

Pursuant to Chapter 6, Article 9 of the Code of West Virginia, 1931, as amended (the "Audit Act"), the State Auditor, as the chief inspector and supervisor of public offices (the "Chief Inspector") is charged with the responsibility of (1) formulating, prescribing and installing a system of accountability for all local units of government in West Virginia, including municipalities and (2) examining the financial affairs of every local government office or political subdivision and all boards, commissions, authorities, agencies or other offices. The City is a local government under the Audit Act. Accordingly, pursuant to Section 7 of the Audit Act, an audit of the City's finances must be accomplished by the Chief Inspector or any person appointed by him. The Chief Inspector has developed procedures which allow certain municipalities to obtain audit services from certain approved accounting firms. The City has been instructed by the Chief Auditor to procure audit services pursuant to such procedures. The procedures developed by the Chief Inspector to procure a CPA firm for the audit require written approval of all contracts and extensions to contracts by the Chief Inspector prior to the commencement of work on the audit by the CPA firm. Additionally, the Chief Inspector is authorized to unilaterally cancel any contract between the City and a CPA firm under certain conditions and elect to perform the audit. Accordingly, the actions or lack of actions of the Chief Inspector may adversely impact the ability of the selected CPA firm to timely complete the annual audited financial information required to be submitted to EMMA pursuant to the Continuing Disclosure Agreement. See "CONTINUING DISCLOSURE" herein. Additionally, the City has no power to require the Chief Inspector to take any action required under such procedures that would ensure the completion of the audit to meet the timely filing of such information.

RATINGS

Standard & Poor's Corporation ("S&P") has assigned a rating of "A" to the Series 2013 Bonds. The City did not apply for any other ratings. Any desired explanation of the significance of such rating should be obtained from S&P. Certain information and materials, including information and materials not included in this Official Statement, were furnished by the City to S&P. Generally, S&P bases its rating on the information and materials so furnished and on its investigations, studies and assumptions. There is no assurance that this rating will continue for any period of time or that the rating will not be reviewed, downgraded or withdrawn entirely by the assigning rating agency, if in the judgment of such rating agency, circumstances so warrant. The Underwriter has undertaken no responsibility either to bring to the attention of the Owners of the Series 2013 Bonds any proposed revision or withdrawal of any rating of the Series 2013 Bonds or to oppose any such proposed revision or withdrawal. Any such downward revision or

withdrawal of the rating may have an adverse effect upon the market price or value of the Series 2013 Bonds.

LITIGATION

There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body, now pending or, to the best knowledge of the City, threatened or affecting the City (or, to the City's knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would have a material adverse effect on the City's financial position or on the validity of the Series 2013 Bonds, the Ordinance, or any agreement to which the City is a party and which is a part of the issuance of the Series 2013 Bonds.

LEGAL MATTERS

The authorization and issuance of the Series 2013 Bonds are subject to the approval of legality by Steptoe & Johnson PLLC, Charleston, West Virginia, Bond Counsel. Bond Counsel will render an opinion in substantially the form set forth in Appendix D to this Official Statement. Certain legal matters will be passed upon for the City by its counsel, Rose Humway-Warmuth, Esq., Wheeling, West Virginia, and for the Underwriter by its counsel, Jackson Kelly PLLC, Charleston, West Virginia.

TAX MATTERS

Tax Exemption

In the opinion of Steptoe & Johnson PLLC, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming continued compliance of the City with certain covenants designed to meet the requirements of Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Series 2013 Bonds including any original issue discount properly allocable to an owner thereof is excludable from gross income for federal income tax purposes. Bond Counsel is also of the opinion that interest on the Series 2013 Bonds is not a specific item of tax preference under Section 57 of the Code for purposes of the federal individual or corporate alternative minimum taxes. Furthermore, Bond Counsel is of the opinion that interest on the Series 2013 Bonds is exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof. It should be noted, however, that interest on the Series 2013 Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for Federal income tax purposes of interest on obligations such as the Series 2013 Bonds. The City has covenanted to comply with certain covenants and restrictions designed to ensure that interest on the Series 2013 Bonds will not be includable in gross income of the beneficial owners thereof (the "Beneficial Owners") for federal income tax purposes. Failure to comply with these covenants and restrictions could result in interest on the Series 2013 Bonds

being includable in income for federal income tax purposes and such inclusion could be required retroactively to the date of issuance of the Series 2013 Bonds. The opinion of Bond Counsel assumes compliance with these covenants and restrictions. However, Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Series 2013 Bonds may adversely affect the tax status of the interest on the Series 2013 Bonds.

Certain requirements and procedures contained or referred to in the Series 2013 Bond documents and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Series 2013 Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Series 2013 Bonds or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Steptoe & Johnson, PLLC.

Although Bond Counsel is of the opinion that interest on the Series 2013 Bonds will be excludable from gross income for federal and West Virginia income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Series 2013 Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liabilities. The nature and extent of these other tax consequences may depend upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any tax consequences other than what is set forth in its opinion and each Beneficial Owner or potential Beneficial Owner is urged to consult with tax counsel with respect to the effects of purchasing, holding or disposing the Series 2013 Bonds on the tax liabilities of the individual or entity.

Original Issue Discount/Original Issue Premium

The original issue discount in the selling price of Series 2013 Serial Bonds maturing on June 1, 2021 (CUSIP 963270EU3), June 1, 2022, and June 1, 2023, and Series 2013 Term Bonds maturing on June 1, 2029, and June 1, 2043 (CUSIP 963270FB4) (collectively, the "Discount Bonds"), to the extent properly allocable to each owner of such Discount Bonds, is excluded from gross income for federal income tax purposes with respect to such owner. The original issue discount is the excess of the stated redemption price at maturity of such Discount Bond over its initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of the Discount Bonds of such maturity were sold.

Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Discount Bond during any accrual period generally equals (i) the issue price of such Discount Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (iii) any interest payable on such Discount Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in such Discount Bond.

Purchasers of any Discount Bond at any original issue discount should consult their tax advisors regarding the determination and treatment of original issue discount for federal income tax purposes, and with respect to state and local tax consequences of owning such Discount Bonds.

The Series 2013 Serial Bonds maturing on June 1, 2014, through June 1, 2020, and June 1, 2021 (CUSIP 963270EY5) and the Series 2013 Term Bonds maturing on June 1, 2026, June 1, 2033, June 1, 2038, and June 1, 2043 (CUSIP 963270FE8) (collectively, the "OIP Bonds"), will be sold with an original issue premium ("OIP"). The original issue premium will be equal to the excess of a holder's tax basis in the OIP Bonds over the amount payable at maturity, or in the case of OIP Bonds subject to redemption, the amount payable on the redemption date. Under current law, the original issue premium for OIP Bonds must be amortized on an annual basis by the holder thereof. The amount of original issue premium amortized each year will not be deductible for federal income tax purposes. Further, Section 1016 of the Code requires that the amount of annual amortization for the OIP Bonds be deducted from the holder's tax basis in such OIP Bonds. This reduction in a holder's tax basis will affect the amount of capital gain or loss to be recognized by the holder when the OIP Bonds are sold or redeemed. Owners of OIP Bonds should consult their tax advisors with respect to the determination and treatment of amortizable original issue premium for federal income tax purposes, and with respect to the state and local tax consequences of owning such OIP Bonds.

The opinions described above are subject to the condition that the City complies on a continuing basis with all requirements of the Code, and regulations thereunder that must be satisfied subsequent to issuance of the Series 2013 Bonds for interest thereon to be or continue to be excluded from gross income for federal income tax purposes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements could cause the interest on the Series 2013 Bonds to be included in the gross income of the recipients thereof for purposes of federal income taxation retroactively to the date of issuance of the Series 2013 Bonds.

The accrual or receipt of the interest on the Series 2013 Bonds may otherwise affect the federal income tax liability of certain recipients. The extent of these and other consequences will depend upon the recipient's particular tax status or other items of income or deductions. Bond Counsel expresses no opinion regarding any such consequences, and investors should consult their tax advisors regarding the tax consequences of purchasing or holding the Series 2013 Bonds.

UNDERWRITING

Piper Jaffray & Co., as Underwriter, has agreed, subject to certain conditions, to purchase the Series 2013 Bonds from the City at an aggregate purchase price of $38,977,085.30 (par of $38,255,000, less an Underwriter's discount of $344,295 and plus net original issue premium of $1,066,380.30). The Underwriter will be obligated to purchase all of the Series 2013 Bonds if any are purchased. The Series 2013 Bonds may be offered and sold to certain dealers (including investment trusts, certain of which may be sponsored or managed by the Underwriter) at prices lower than the public offering price stated on the cover page of this Official Statement, and such

public offering price also may be changed without prior notice, from time to time, by the Underwriter.

Piper Jaffray & Co. and Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation, entered into an agreement (the "Agreement") which enables Pershing LLC to distribute certain new issue municipal securities underwritten by or allocated to Piper Jaffray & Co., including the Series 2013 Bonds. Under the Agreement, Piper Jaffray & Co. will share with Pershing LLC a portion of the fee or commission paid to Piper Jaffray & Co. Piper Jaffray & Co. has also entered into a distribution agreement ("Distribution Agreement") with Charles Schwab & Co., Inc. ("CS&Co") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Series 2013 Bonds from Piper Jaffray & Co. at the original issue price less a negotiated portion of the selling concession applicable to any Series 2013 Bonds that CS&Co. sells.

FINANCIAL STATEMENTS OF THE CITY

Included herein as Appendix C are the audited financial statements (and reports with respect thereto) of the City as of June 30, 2012, prepared by Bodkin, Wilson & Kozicki PLLC, Wheeling, West Virginia, certified public accountants. The financial statements have been included herein in reliance upon the reports of the preparers thereof as experts in auditing and accounting. The City has obtained the consent of Bodkin, Wilson & Kozicki PLLC to include the audited financial statements in the Official Statement.

CONTINUING DISCLOSURE

The City has agreed to an undertaking (the "Undertaking") for the benefit of the Registered Owners of the Series 2013 Bonds to provide certain financial and operating information (the "Annual Information") not later than 300 days following the end of fiscal year 2013 and each fiscal future year, and to provide the Annual Information to the Electronic Municipal Markets Access System ("EMMA"), as defined in the Continuing Disclosure Agreement delivered by the City at closing, the form of which is included in Appendix G hereto, for delivery to EMMA and to provide notice of the occurrence of the enumerated events to EMMA.

The City timely filed its Annual Information with Disclosure USA for FY 2008 and with EMMA for FY 2009, FY 2010 and FY 2012. The FY 2011 Annual Information was not filed until July 30, 2012 due to administrative oversight.

This continuing disclosure obligation is being undertaken by the City to assist the Underwriter in complying with Rule 15c2-12 promulgated by the SEC. The City has agreed to give notice in a timely manner to EMMA. WesBanco Bank, Inc. has and will continue to serve as the Dissemination Agent for the City. any failure to supply the requested information. However, any such failure will not constitute a default under the terms of the Series 2013 Bonds. Registered Owners may contact the City Manager of the City at City County Building,

Wheeling, West Virginia 26003, (304) 234-3617 (rherron@wheelingwv.gov) for more information.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of such statements will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Series 2013 Bonds.

Copies of the Ordinance, the Supplemental Resolution, the Undertaking, and other applicable documents may be obtained from the City at the following address:

The City of Wheeling
City County Building
Wheeling, West Virginia 26003
(304) 234-3617
Attention: City Manager

or, during the period of offering the Series 2013 Bonds, from the Underwriter. Ongoing financial information may be obtained from the City at the address set forth above.

The execution and distribution of this Official Statement has been duly authorized by the City.

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THE CITY OF WHEELING, WEST VIRGINIA

By: /s/ Andrew McKenzie
Mayor

By: /s/ Robert Herron
City Manager

Dated: May 15, 2013

Appendix A

Economic and Demographic Data
Ohio County, West Virginia

County: The County is governed by, and generally acts through, The Ohio County Commission. The Commissioners of the County Commission are elected on a countywide basis.

County Commissioners:	Tim McCormick, President Orphy Klempa Randy Wharton
County Administrator:	Greg Stewart

City: The City of Wheeling is the County Seat of Ohio County. The City is located in the Northern Panhandle of West Virginia and is 128 miles from the City of Charleston (State Capitol), West Virginia, 55 miles from Pittsburgh, Pennsylvania, 120 miles from Columbus, Ohio, and 130 miles from Cleveland, Ohio.

City Council:	Gloria Delbrugge Ken Imer Robert Henry David Miller Don Atkinson Eugene T. Fahey
City Mayor:	Andrew McKenzie

Wheeling MSA: The City of Wheeling is the largest city in the Wheeling-Belmont County (Ohio) Metropolitan Statistical Area that includes Ohio and Marshall Counties, WV, and Belmont County, OH.

Population

Year	City of Wheeling	Wheeling MSA	Ohio County	West Virginia	United States
2011	28,355	147,197	44,246	1,855,364	311,591,917
2010	28,506	147,900	44,478	1,854,368	309,330,219
2009	28,805	147,910	44,355	1,847,775	306,771,529
2008	28,864	148,073	44,469	1,840,310	304,093,966
2007	29,025	148,727	44,714	1,834,052	301,231,207

Source: U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Census Bureau

Per Capita Personal Income

County	2007	2011	County Rank in State in 2011
United States	$39,506	$41,560	---
West Virginia	$29,497	$23,403	---
Wheeling MSA	$29,824	$34,406	---
Ohio County	$34,890	$37,969	5

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Average Annual Unemployment Rates (%) – Not Seasonally Adjusted

Year	Wheeling MSA	Ohio County	West Virginia	U.S.
2012	7.5	6.8	7.3	8.1
2011	8.6	8.0	7.8	8.9
2010	9.8	9.3	8.4	9.6
2009	8.7	7.8	7.6	9.3
2008	5.2	4.1	4.2	5.8
2007	4.9	3.8	4.2	4.6

Source: U.S. Department of Labor, Bureau of Labor Statistics

Largest Employers in Ohio County (March 2012)

Employer
1. Wheeling Hospital, Inc.
2. Ohio County Board of Education
3. Cabela's Wholesale , Inc.
4. Ohio Valley Medical Center, Inc.
5. Wheeling Park Commission
6. Wheeling Island Gaming, Inc.
7. Wesbanco Bank, Inc.
8. City of Wheeling
9. West Liberty State College
10. Wheeling Jesuit University, Inc.

Source: WORKFORCE West Virginia

Average Employment and Average Weekly and Annual Wages

	Average Employment		Average Weekly Wage		Average Annual Wage	
	2007	2011	2007	2011	2007	2011
Ohio County	29,031	29,310	$590.60	$641.96	$30,711	$33,382
West Virginia	708,313	701,871	$653.87	$751.77	$34,001	$39,092

Source: WORKFORCE West Virginia

Average Annual Employment for Ohio County by Industry

Industry	2011
Construction	854
Manufacturing	1,437
Trade, Transportation & Utilities	5,752
Information	422
Financial Activities	1,368
Professional & Business Services	3,477
Education & Health Services	6,680
Leisure & Hospitality	3,906
Other	1,404
Government	4,010
TOTAL	29,310

Source: WORKFORCE West Virginia

Total Wages ($)

Year	Ohio County	West Virginia
2011	978,414,709	27,437,330,374
2010	959,563,963	26,100,976,332
2009	959,412,861	25,528,702,813
2008	962,214,772	25,534,204,980
2007	891,579,527	24,083,126,318

Source: WORKFORCE West Virginia

Wages Per Industry for Ohio County (2011) ($)

Industry	Total Wages	Average Weekly Wage
Construction	35,736,341	804.73
Manufacturing	51,867,023	694.12
Trade, Transportation & Utilities	163,727,852	547.40
Information	29,826,241	1,359.19
Financial Activities	56,845,698	799.12
Professional & Business Services	132,220,495	731.29
Education & Health Services	262,253,324	754.98
Leisure and Hospitality	64,049,504	315.35
Other Services	41,502,569	488.71
Government	140,385,662	673.25
TOTAL	978,414,709	641.96

Source: WORKFORCE West Virginia

Selected City of Wheeling Demographic Information*

History: Colonel Ebenezer Zane founded Wheeling in 1769. Wheeling was established as a town in 1795 and incorporated in 1836 through a Charter granted by the Virginia Assembly. The first convention of the delegates from the loyal counties of northwestern Virginia met in Wheeling on May 13, 1861, and inaugurated the movement which finally resulted in the admission of West Virginia into the Union as a state on June 20, 1863. Wheeling, West Virginia, was the capital of the newly formed state from 1863 to 1870 when it was moved to Charleston. In 1875, the seat of the government was brought back to Wheeling and remained until 1885, again being transferred to Charleston where it has since remained.

Education: Public and Private Schools:

Ohio County Schools
Wheeling Catholic Central
Linsly School

Higher Education Institutions :

West Virginia Business College
West Virginia Northern Community College
West Liberty University
Wheeling Jesuit University
Bethany College

Transportation: Ohio Valley Regional Transportation Authority
East Ohio Regional Transportation Authority

Healthcare: Doctor's Urgent Care
East Seals West Virginia
MedExpress
Ohio Valley Medical Center
Peterson Rehabilitation Hospital and Geriatric Center
Wheeling Hospital
Wheeling Clinic

Community: Ohio County Public Library
WesBancoArena.com
CapitolTheatreWheeling.com
WheelingCVB.com
WheelingSymphony.org
Oglebay Institute
Oglebay-Resort.com
Children's Museum of the Ohio Valley
Centre Market
Wheeling Nailers (East Coast Hockey League)

* Source: City of Wheeling

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APPENDIX B

THE SYSTEM

DESCRIPTION OF THE COMBINED WATERWORKS AND SEWERAGE SYSTEM

The City of Wheeling commenced the operation of a public water system over 170 years ago and has provided a system of storm and sanitary sewers since the late 1800's. The City has always operated its water system. However, beginning in 1954 at the time of construction of the City's first sewage treatment plant, until 1982, the sewerage system was operated, maintained and controlled by a Sanitary Board, independent of City Council, pursuant to Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended. In 1982, the City terminated the Sanitary Board and transferred control of the Sewerage System to the City under the jurisdiction of the Water Pollution Control Department, and separate from the Water Department. The description of the operations and financial affairs of each which follows this section is separate and distinct, as each continues to be operated on an individual basis.

Bodkin, Wilson & Kozicki, PLLC (the "Auditor"), of Wheeling, West Virginia, is the Auditor for the City and, as such, has prepared audited Annual Financial Reports for fiscal years ending June 30, 2003 thru 2012 (the "Audits"). Certain data contained in the Audits has been regularly summarized in the following sections of this Official Statement and attributed when so summarized; data not attributed has been provided by the City in one or more reports, studies or certifications, including both Annual Reports filed with the Public Service Commission and the "Consulting Engineer's Annual Report for Fiscal Year 2012" prepared by KLH Engineers, Inc. of Pittsburgh, Pennsylvania. Although the current Engineer's Report is not yet available, the City has determined that no events have occurred or circumstances exist which represent a material change in the affairs or operations of the Combined Waterworks and Sewerage System from the state of such affairs or circumstances at the time of the preparation of the 2012 Report. For additional and more complete information, reference should be made to the City itself or to the Audits, the 2012 Engineer's Report, or the current FY Engineer's Report (when completed and available), copies of which can be obtained from the City.

Notwithstanding the individual operations of each Department, the Series 2006 A Bonds (together with the City's Series 2005 A, Series 2010 A and Series 2010 B Bonds, the "Prior Bonds") have a first, equal and pro rata lien on all the Gross Revenues of the Combined Waterworks and Sewerage System, so that excess revenues from one portion of the Combined System may be used to correct a deficiency in the other portion. The Series 2006 A Bonds are limited special revenue obligations of the City payable solely from the revenues and other income derived from all services, properties and facilities of the Combined Waterworks and Sewerage System. The Series 2006 A Bonds are not general obligations of the City, and the holders or owners thereof shall have no right to have excises or taxes levied by the City, the State of West Virginia or any political subdivision thereof for the payment of the principal, premium, if any, or interest on the Bonds. (See "Summary of Certain Provisions of the Bond Ordinance – System Revenues; Funds and Accounts" herein).

NEITHER THE GENERAL CREDIT OF THE CITY OF WHEELING NOR THAT OF THE STATE OF WEST VIRGINIA OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS AND THE OWNERS AND HOLDERS THEREOF ARE GIVEN NO RIGHT TO HAVE ANY EXCISES OR TAXES LEVIED BY THE LEGISLATURE OF THE STATE OF WEST VIRGINIA, THE CITY COUNCIL OF THE CITY OF WHEELING OR THE TAXING AUTHORITY OF ANY OTHER POLITICAL SUBDIVISION OF THE STATE FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS.

THE WATERWORKS SYSTEM

Description

A. Supply and Treatment

The City's first system consisted of a pumping station along the Ohio River near 8th Street, pumping directly from the Ohio River into a reservoir and distribution system without further treatment. The existing Wheeling Water Treatment Plant was constructed in 1924. This facility, located in the Warwood area of Wheeling, draws water from the Ohio River. The plant underwent a major upgrade in 1964, and solids handling facilities were added in 1979 to conform to United States Environmental Protection Agency requirements. In 1989, the City began implementing a major capital improvements program, some of which was funded from current revenues, and the bulk of which was financed from proceeds of certain Prior Bonds. At the water treatment plant, such improvements included, among others, the repair of concrete settling basins, the installation of liquid hydrofluosilic acid and liquid ferric chloride coagulant feeder systems to replace dry chemical feeders, the construction of a new chemical feed building, the repair and replacement of assorted valves, pumps and similar equipment and the addition of a SCADA (computer control) system to monitor and control treatment processes.

The treatment processes at the Wheeling Water Treatment Plant consist of raw water intake to one of three low service, variable-speed, pumps which deliver the water to pre-sedimentation basins; coagulation with iron salts (usually ferric chloride); flocculation and sedimentation; rapid sand filtration; disinfection with chlorine; taste and odor control with activated carbon; a clearwell and high service pumps. Potassium permanganate can also be added to control taste, odor and to help control zebra mussels. The solids handling facilities dewater approximately 1000 tons of sludge annually.

B. Storage Tanks

The names and capacities of the City of Wheeling storage facilities are:

Warwood	1,000,000	gal.
Mt. Wood (3 tanks)	4,000,000	gal.
Clator	2,000,000	gal.
Clearview	150,000	gal.
Grandview Reservoir (2 tanks)	3,426,000	gal.
Grandview Tank	263,000	gal.
Boggs Hill	500,000	gal.
Mozart (2)	200,000	gal.
Stackyard	238,000	gal.
Forest Hills**	0	gal.
Howard Hills (Oakmont)	200,000	gal.
Springdale	810,000	gal.
Patterson Reservoir	593,000	gal.
Oglebay	1,000,000	gal.
Leewood**	0	gal.
Washington Farms	50,000	gal.
Total Storage Facilities	14,430,000	gal.

**Not in service

C. Distribution System

The distribution system includes over 189 miles of pipelines and 10 booster stations, capable of delivering up to 12 million gallons per day ("MGD"). This system provides water to a variety of businesses, two major hospital complexes, residents of the City, and residents of five (5) communities outside the City's corporate boundaries. The system has experienced steady development throughout its history with a major renovation campaign in the 1960's and in 1992 as part of the capital improvement program. Today system growth has continued through the construction of new subdivisions.

Various distribution zones are organized throughout the service area topography to provide customers with adequate pressure. These areas are generally defined by booster stations and their individual distribution systems. These areas are:

a. Oglebay Park
b. Bethlehem
c. Mozart
d. Stackyard
e. Forest Hills
f. Howard Hills (Oakmont)
g. Elm Grove
h. Greggsville

i. Clearview
j. Grandview
Low Service (all remaining areas)

D. Alternate Water Supply

In 1992, as part of the capital improvement program, the City installed vertical wells along the Ohio River near the treatment plant in order to provide an alternate water source, it is estimated these wells can provide approximately 50% of the City's average daily usage, in event of an emergency condition with the City's river supply.

Management (As of February 18, 2013)

Superintendent – Mr. David M. Nickerson

All the Divisions operate under the direct supervision of Superintendent, Mr. David M. Nickerson. As Superintendent, Mr. Nickerson provides executive and technical leadership, and directs and manages the operations of the complete water system. His duties include budget preparation, rate case studies, equipment purchase, and construction inspection. Mr. Nickerson began his employment with the City as a utility worker in the Distribution Division in 1985. He moved to Utility Lead Worker in 1988. In 2003 he transferred to the Water Treatment Plant as a mechanic and was promoted to Maintenance Foreman in 2009. In 2012 Mr. Nickerson was appointed Acting Plant Manager of the Water Treatment Plant, in the absence of Mr. Frank Blaskovich due to medical issues. On February 18, 2013 he was appointed Water Superintendent after the retirement of Mr. William Huggins.

Acting Plant Manager – Lori Siburt

Ms. Siburt was hired by the Wheeling Water Treatment Plant in May 2002 as a Lab Technician and Water Operator. She came to the city with a background in water and wastewater and 15 years of experience as a lab technician. She is a Class IV Water Operator certified with the state of West Virginia. She is certified with the WV Microbiology Lab for bacteriological testing and is currently completing her B.S. in Chemistry at Wheeling Jesuit University. She was promoted to Senior Lab Technician in 2012 and to Acting Plant Manager in 2013. She works closely with ORSANCO regarding Ohio River quality issues and is also a member of the American Water Works Association.

Employees and Payroll

As of June 30, 2012, the City had 58 employees engaged in Waterworks System tasks. The Fiscal Year 2012 payroll was budgeted at $2,624,985.

Operations

The following table indicates the annual water consumption of each customer class, as shown in the City's records for the fiscal year ended June 30, 2012. The Waterworks System pumped an average of 7.59 MGD in 2012, with daily averages during the peak month of June 2012 at 7.89 MGD.

Customer Class	Gallons Sold/Billed (000)	Number of Customers
Residential	566,570	11,824
Commercial	529,437	1,392
Industrial	11,922	20
Resale	1,723,442	13,341
Unmetered	0	0
Unaccounted Loss	643,207	N/A

Water loss in the system accounted for nearly 25% of all water distributed; this loss is attributed to both leakage from old pipes within the system and from faulty, aged valves and meters at sundry locations. Pursuant to the issue of the Series 1997 Bonds, the PSC ordered the City to establish an escrow account of $0.025 per thousand gallons billed; funds from this account are to be used for the purpose of reducing said water loss. Since 1997, the City has conducted a yearly leak detection survey (covering a 4th section of the City each year) in an effort to find and repair leaks, and continues with its program of renewing galvanized mains and replacing meters. The completion of the Project will address most of these issues.

Average Number of Water Customers

Fiscal Year	2011/2012	2010/2011	2009/2010	2008/2009	2007/2008
	13,240	13,250	13,614	13,697	13,795

The City provides water to four neighboring communities and the Ohio County Public Service District. These four communities are served through master meters. Each community has one master meter, with the exception of the Ohio County Public Service District which receives water from the City in five different locations. The communities and their consumption and revenues for the fiscal year ended June 30, 2012, are:

	Annual Consumption (000 gallon)	Annual Revenue
1. Bethlehem	87,186	$ 166,154
2. Triadelphia	51,589	103,825
3. Valley Grove	22,438	44,710
4. West Alexander (Pennsylvania)	20,249	40,428
5. Ohio County PSD	432,691*	1,014,121**
TOTAL	614,153	1,369,248

* Represents 76% of the Water System's total consumption for fiscal year 2012.
**Represents 21% of the Water System's total water operating revenues for fiscal year 2012.

The ten largest users (not including resale to neighboring communities) and their billings for the fiscal year 2012 were:

		Annual Consumption (1,000 Gallons)	Annual Revenue
1.	Oglebay Park (multiple)	60,387	$179,939.09
2.	Wheeling Hospital	57,123	116,242.74
3.	Ohio Valley Hospital	47,274	100,576.54
4.	Ziegenfelder Ice Cream	35,856	79,634.69
5.	Wheeling Downs (multiple)	28,685	68,402.22
6.	Wheeling Linen (35%)	14,295	35,224.45
7.	Board of Education	12,346	49,152.85
8.	Swisher International	8,371	28,429.61
9.	North Park Associates	4,875	16,533.29
10.	Centre Foundry	2,058	8,007.48
TOTAL		271,270	$682,142.96

Rates

The rates and connection fees charged to users of the Waterworks System are detailed in the following tables. Water usage (including meter size minimum) rates in the first two tables became effective on 4/2/10, following Public Service Commission approval, and represent approximately 7% increase from previous rates.

Rates (Monthly)

First 1,000 gallons used per month	$	7.46 per 1,000 gallons
Next 499,000 gallons used per month		3.422 per 1,000 gallons
All over 500,000 gallons used per month		1.763 per 1,000 gallons

Minimum Charge

The following amounts represent the minimum monthly charge, according to the size of the meter installed:

5/8-inch meter	$	7.46	per month
3/4-inch meter		11.18	per month
1-inch meter		18.64	per month
1½ -inch meter		37.28	per month
2-inch meter		59.64	per month
3-inch meter		111.83	per month
4-inch meter		186.38	per month
6-inch meter		372.75	per month
8-inch meter		596.40	per month

Service Connection Charge: $50/Water and $50/Sewer deposit; $25 reconnect fee

Size of Tap	Charge
5/8-inch and 3/4-inch	$315.00
1-inch and larger	$420.00

Fire Service Lines

2-inch or smaller	$	60.00	per year
3-inch		96.00	per year
4-inch		156.00	per year
6-inch		324.00	per year
8-inch		564.00	per year
10-inch		900.00	per year

If unmetered, an additional $90.00 per year.

Hydrants

$156.00 per hydrant per year.

Average Monthly Rates

Based upon current rates, the average user of the Waterworks System pays the average monthly amounts set forth in the table which follows:

	Wheeling	Ohio Co. PSD	Valley Grove	Triadelphia	W. Alexander
Gals/Mo. Resid. 4,500	$ 19.44	$97,511.17	$3,725.64	$8,651.90	$3,369.98
Commer. 50,000	175.14	Gal. 31,223,419	Gal. 1,896	Gal. 4,403	Gal. 1,715
Indust. 500,000	1,715.04				

Upcoming Projects: Water

Included in this bond issue are funds for engineering design of a new water treatment plant. Construction of a new plant is estimated at $30.5 million and proposed for 2013 and 2014. In addition, the City will continue to replace distribution lines. The City of Wheeling provides water to the Ohio County Public Service District ("PSD") that services the Highlands development. Discussions between the City and PSD have begun regarding a new transmission main capable of producing up to 2,000,000 gallons of water a day, the cost of which will be at the County's expense.

*OCPSD Highlands transmission main is now in service.

THE WASTEWATER COLLECTION AND TREATMENT SYSTEM

Description:

The City's Wastewater Collection and Treatment System began as a collection of combined wastewater and storm drain sewers built in the late 1800's and on a continuing basis into the 1950's. Some 154 miles of 6-inch to 24-inch clay pipes remain the primary collection system of the City. However, beginning in the 1950's, the City began to construct a series of concrete interceptors, commenced construction of its first treatment plant in 1954, and brought a new plant, to provide primary treatment, on-line in 1960. In 1972, the City began to plan an upgrade of this plant to meet higher environmental standards. At the same time, improvements were made to the Warwood Pump Station and seven municipal metering stations. The new secondary treatment plant began operations in 1983. The collection system now contains approximately 300 miles of sewers.

Except for its northern-most reaches, nearly all of Ohio County is within the same drainage basin that drains toward Wheeling Creek and thence to the Ohio River. The wastewater treatment plant is located approximately 1/2 mile downstream of the junction of these two major

water courses and is, therefore, in an excellent location to serve most of Ohio County. New trunk sewers built in the mid-1980's extended the System from its base of the City of Wheeling and the Communities of Bethlehem, Triadelphia, Benwood and Clearview into the surrounding Ohio County. Thirteen (13) lift stations and seventeen (17) metering stations operate along the System.

As trunk sewers continue to be constructed outside the City limits, a greater percentage of the population within the Wheeling Creek drainage basin will be served by the central Wheeling wastewater treatment plant.

The secondary wastewater treatment plant, as constructed in1983, was designed to handle a population of approximately 60,000 people and an average flow of 10 million gallons per day ("MGD"). However, the average daily flow is 7.6 MGD, serving a sewered population of approximately 57,000. Hydraulically, the plant can handle a flow of 35 MGD, with 10 MGD receiving secondary treatment.

The treatment plant is a secondary treatment facility consisting of the following wastewater treatment units: bar screens, raw sewage pumps aerated grit chambers, primary clarifiers, complete mix activated sludge aeration tanks, secondary clarifiers, ultraviolet disinfecting, chlorine contact tanks and a Parshall flume.

Sludge handling consists of the following collection and primary and secondary treatment methods: primary sludge pumping and degritting, waste sludge pumping, primary and secondary scum pumping, sludge thickening, anaerobic sludge digestion, polymer conditioning and sludge dewatering via centrifuges.

Prior to entering the treatment plant, wastewater first flows through a controlled diversion structure located near the Ohio River. Excessive flow may travel through a horizontal self-cleaning bar screen and into a 48-inch pipe that discharges into the Ohio River.

Raw wastewater entering the plant through a 72" transmission main splits through two pneumatically-operated sluice gates that limit excessive flow into the plant. Flow next passes through the two mechanical bar screens which remove coarse materials. These screenings are hauled to a landfill site. After passing through an additional set of hydraulically-operated sluice gates, the wastewater enters the raw sewage wet well.

From the wet well, the four, variable speed, non-clog raw sewage pumps lift the wastewater to the aerated grit chambers. These pumps utilize a liquid rheostat flow matching system capable of varying each pump up to 17 MGD or up to 35 MGD total. The grit chambers are designed to remove grit consisting of sand, gravel, and other heavy inert inorganic particles in order to protect plant equipment from abrasion and increased wear. The grit is removed from the tanks and landfilled.

The degritted wastewater flows into the two primary settling tanks for the removal of sludge (settleable solids) and scum (floatable solids) from the wastewater flow, thereby reducing

the load of solids to the activated sludge process. The primary treatment operations can always be maintained by emergency power generation equipment. The primary effluent from the overflow of the settling tanks flows to the activated sludge system. Flows in excess of 10 MGD are bypassed around the secondary treatment system to the chlorine contact tanks.

In the activated sludge process, an environment is created to promote the growth of biological life in a series of aeration tanks. These microorganisms feed upon and greatly reduce the amount of organic matter in the wastewater. Diffused air is added to satisfy the oxygen requirements of the biomass and to provide agitation to maintain the mixture in complete suspension. Flexibility has been provided to operate the aeration system in three different modes – conventional aeration, contact stabilization, and step feed aeration – to allow operation in the most effective manner.

Following aeration, the wastewater flows to the four final settling tanks or clarifiers where the microorganisms and suspended solids are removed by gravity settling. A portion of the settled activated sludges returned to the aeration tanks as return activated sludge. This sludge contains the active microorganisms which are returned to the system to feed on the incoming organics. Because the organisms grow and reproduce, excess sludge (waste activated sludge) must be removed from the system by being pumped from the settling tanks to either the primary settling tanks or the sludge thickeners.

Clarified final effluent flows into the final effluent channel and the ultraviolet disinfection and/or the chlorine contact tanks for disinfection. The flow finally passes through a Parshall flume, which measures the total plant flow, and is then discharged to the Ohio River. The wastewater treatment plant constitutes a Federal and State approved Pretreatment Program, with four significant industrial users. Effluent quality is analyzed by laboratory technicians who are certified by the West Virginia Department of Natural Resources. All treatment plant operations and collection division personnel are also state certified.

Management – Daniel P. Villani - Superintendent

As Superintendent, Mr. Villani is responsible for the continuing management and operation of the Wastewater Treatment and Collection System, supervising over forty (40) employees within three (3) divisions: collection, operation, and maintenance. Mr. Villani's duties range from plant management, equipment maintenance and effluent testing to budget preparation.

The City of Wheeling's Water Pollution Control Department has received numerous distinctions, including the Operations and Maintenance Award of Excellence from the West Virginia Department of Environmental Protection and a first place safety award from the West Virginia Water Environment Association.

Mr. Villani began his employment with the City of Wheeling in 1976. He became Head Operator in 1977, Operations Supervisor in 1979, and achieved his current position as Superintendent in 2013.

Mr. Villani holds a Class IV Wastewater Operator's certification, Class 1-C Collection System Certification, and is a certified Wastewater Treatment Laboratory Technician. He has attended classes at both West Liberty University and West Virginia Northern Community College, graduating from WVNCC in 1987 with an A.S. and an A.A.S. in Business Administration. He has also continued his education through various seminars and training classes.

Employees and Payroll

As of June 30, 2012, the City had 39 employees engaged in Sewerage System tasks. The fiscal year 2012 payroll is budgeted at $2,129,808.

Operations

The Wastewater Collection and Treatment System treated an average of 7.6 MGD during fiscal year 2012, with daily averages during the peak month of Jan. at 19.4 MGD. The effluent biological demand (BOD) averaged12 milligrams per liter with an overall efficiency of 94.7 percent for the year. Suspended solids in the effluent averaged 10 milligrams per liter with an overall removal efficiency of 94.9 percent for the year.

The City currently operates under NPDES (WV0023230) permit issued by the West Virginia Department of Environmental Protection, Water Resources Section. The permit was issued 6/18/10 and has an effective date of 7/18/10 and expires 6/17/15.

Within this new tiered permit, the secondary treatment flow limits will be 10 MGD with a total of 25 MGD receiving partial treatment to positively influence maximum treatment capacity of plant and reduce CSO effects to the receiving streams. The permit establishes traditional effluent limits on Ph, BOD, TSS, fecal coliform and ammonia with new limits on chlorine residual. The permit also established new requirements with a time schedule for compliance relating to CSO minimization and pretreatment program requirements.

The following table sets forth the System's treatment experience according to customer classes for fiscal year 2012:

	Average Number of Sewer Customers				
Fiscal Year	2011/2012	2010/2011	2009/2010	2008/2009	2007/2008
	12,628	12,645	12,723	12,826	12,956

Customer Class	Gallons Billed (000)	Number of Customers
Residential	537,199	11,274
Commercial	393,672	1,333
Industrial	9,675	16
Outside Communities	356,988	5

The City provides wastewater collection and treatment service under long-term contracts to four neighboring communities and the Ohio County Public Service District. Rates for such outside municipal corporations are set according to billing formulas approved by the United States Environmental Protection Agency. The communities, and their discharge and revenues for the fiscal year ended June 30, 2012 are:

	Avg MGD	Annual Revenues
Benwood	.13	$ 87,848
Bethlehem (5 connections)	.21	140,136
Clearview	.04	30,694
Triadelphia	.14	93,962
Ohio County Public Serv. Dist. (8 connections)	.46	310,492
	*	**

* Represents 27.5% of the System's total discharge for fiscal year 2012.
**Represents 13.6% of the System's total operating revenues for fiscal year 2012.

The ten largest users (not considering collection and treatment provided to neighboring communities) and their billings for the fiscal year 2012 were:

		Annual Discharge (000)	Annual Revenue
1.	Ohio Valley Hospital	46,748	$ 98,552.55
2.	Wheeling Downs (Multiple)	28,697	64,557.14
3.	Ziegenfelder Ice Cream	28,520	63,830.94
4.	North Park Landfill	24,724	54,902.84
5.	Wheeling Hospital	24,378	52,410.53
6.	Liquid Assets Disposal	17,404	38,421.89
7.	Oglebay Park (Multiple)	16,704	39,557.21
8.	Wheeling Housing Authority	16,351	50,328.82
9.	Water Treatment Plant	12,633	31,146.11
10.	Wheeling Linen (35% discount)	9,297	22,023.66
	TOTAL	225,456	$515,731.69

Rates

The rates charged to users of the Sewerage System inside the City are detailed in the following table. These rates became effective in September 2010, following Public Service Commission approval, and represent a 1% increase from previous rates.

Monthly Usage Gallons	Charge per 1,000 Gallons
First 10,000 used per month	$6.15
Next 90,000 used per month	5.10
Next 100,000 used per month	3.63
Over 200,000 used per month	2.46

The Minimum Metered Rate is $9.77 per month; an Unmetered Flat Rate of $27.68 is also used. A Tap Inspection Fee of $25.00 is charged to new customers at the time of connection to the Sewerage System.

Based upon current sewer rates in the city, the average monthly residential sewer bill will be approximately $27.68 for 4,500 gallons of water used in 2014.

Billing and Collection Experience

WATER

YEAR	BILLED	COLLECTED	%
2009	$5,171,430	$4,291,137	82.98%
2010	5,338,646	4,240,592	79.98%
2011	5,829,889	4,286,862	73.53%
2012	5,928,824	4,236,431	71.45%

SEWER

YEAR	BILLED	COLLECTED	%
2009	$3,729,747	$4,660,221	124.9%
2010	4,688,986	5,586,644	119.1%
2011	4,438,211	5,059,445	113.9%
2012	4,234,473	4,867,682	114.9%

Billing and Collection Procedures

All bills are issued, collected and processed by the City on a monthly basis and are due twenty (20) days after billing. Once an account is determined to be delinquent for two successive months, an arrears notice is sent advising that if the bill remains unpaid for five (5) days, service will be terminated. Upon the expiration of said period, service is terminated. Once terminated, service will not be restored until the payment of all past bills, a reconnection charge of twenty-five dollars and, in some instances, a new or additional security deposit. Upon termination of service a lien process is started. Unpaid bills over $25 and below $5,000 are sent to Magistrate Court. Bills $5,000 and above go to Circuit Court. This program has been in place for approximately two years and has shown to produce positive results in the collection process.

Future Projects: Sewer

The City of Wheeling's Water Pollution Control Division is currently finishing up Phase II of VII phases planned under WPCD's Long Term Control Plan. Elimination of Combined Sewer Overflows remains a priority of the Water Pollution Control Division. Each phase costs between fifteen (15) to twenty (20) million dollars and includes upgrades to the Waste Water Treatment Plant, pump stations, collections system, storm and sanitary separations and the elimination of the Combined Sewer Overflows.

NOTE:
THE COMBINED STATEMENT OF NET ASSETS AND THE COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS FOR THE FISCAL YEAR ENDED JUNE 30, 2012 CAN BE FOUND IN THE AUDITED FINANCIAL STATEMENTS. See "Appendix C – Financial Statements of the City."

Employees Retirement and Benefit Fund

Employees of the Water Department and employees of the Water Pollution Control Department hired since 1982 participate in the City of Wheeling Employees' Retirement and Benefit Fund. Pursuant to Chapter 8, Article 22, Section 14 of the Code of West Virginia, 1931, as amended, the Treasurer of the City acts as custodian of this Fund. The City has not made any contributions to the City of Wheeling Employees' Retirement and Benefit Fund since 1996, as it is fully funded. Employees of the Water Pollution Control Department hired before 1982 participate in a separate fund, the Water Pollution Control Division Pension Plan, administered by an independent trustee. Annuity benefits are financed through employer and member contributions and the investment earnings on such contributions. By state law, the City is required to contribute to the fund annually an amount which, together with contributions from employees, will be sufficient to meet the normal cost of the fund including the cost of administration and amortize any actuarial deficiency over a period of not more than forty years. Historically, the City has contributed monthly an amount equal to 6.0% percent of its employee payroll for the preceding month; the following table summarizes the contributions made by the City to all Funds during each of the past five fiscal years. As of June 30, 2012, the Funds' contributions met or exceeded the statutory required contributions, so that no actuarial deficiency exists. Accordingly, the City has determined that no contributions are required during the current fiscal year.

WATER POLLUTION CONTROL DIVISION PENSION PLAN

	Fiscal Years Ended June 30,				
	2008	2009	2010	2011	2012
Employees Covered	12	12	11	11	11
Contribution Rate	6%	6%	6%	6%	6%
Contributions	$27,658	$31,692	$28,851	$28,539	$28,586

Method of Accounting

For the fiscal year 2012, the System operated day-to-day on a cash basis of accounting. For reporting purposes, in the Comprehensive Annual Financial Report of the City, the accounting records were converted to the accrual basis. The cash basis recognizes revenue when it is received and expenses when they are paid. The accrual basis recognizes revenue when it is earned and expenses in the period incurred.

Encumbrance accounting is utilized by the City in the normal course of operations for purchase orders and contract-related expenditures. An encumbrance is a reserve on the available spending authority due to a commitment for a future expenditure and does not represent a liability. Encumbrances outstanding at year-end are treated as a reserve to the fund balance and are carried forward to the next fiscal year.

The accounting system provides for internal accounting controls designed to provide reasonable assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The information set forth in this Appendix B was provided by the City of Wheeling.

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THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013
(TAX EXEMPT)

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THE CITY OF WHEELING, WEST VIRGINIA

AN ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE WATERWORKS PORTION OF THE EXISTING COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $49,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT); PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS RELATING TO THE BONDS; AND ENACTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

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

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

WHEREAS, under the provisions of Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), the Issuer is authorized and empowered to acquire, construct and operate extensions, additions, betterments and improvements to the waterworks portion of the System and all necessary appurtenances (collectively, the "Project") (the existing public combined waterworks and sewerage system and any future stormwater system of the Issuer incorporated therein, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System") in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer;

WHEREAS, the Issuer has determined, and does hereby affirm, that the acquisition and construction of the Project, is necessary, appropriate, useful and desirable for the health, safety, and welfare of the inhabitants of the City and surrounding areas;

WHEREAS, the Issuer has determined that the aforementioned Project should be financed, as provided under the Act, in whole or in part, from the proceeds of revenue bonds to be issued by the Issuer, to pay all or any portion of the costs thereof, and to enact this Ordinance and issue its Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax-Exempt) (the "Series 2013

Bonds"), such Series 2013 Bonds to be secured by and payable from the Gross Revenues of the System, and containing such other terms and provisions as are hereinafter provided, all in the manner set forth herein;

WHEREAS, the Issuer has determined and hereby determines that it is in the best interest of the residents of the City that its Series 2013 Bonds be sold to the Original Purchaser (as hereinafter defined) thereof pursuant to the terms and provisions of a bond purchase agreement, (the "Bond Purchase Agreement") between the Issuer and the Original Purchaser, hereinafter defined.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WHEELING HEREBY ORDAINS:

ARTICLE I

DEFINITIONS, STATUTORY AUTHORITY AND FINDINGS

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

"Act" means Chapter 8, Article 20 of the West Virginia Code of 1931, as amended and in effect on the Closing Date for the Series 2013 Bonds.

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

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

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

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

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

"Bond Insurer" means any entity which shall insure all or any portion of the payment of principal of and interest on the Bonds, and with respect to the Series 2013 Bonds shall initially mean the bond insurer or bond insurers, if any, named in the Supplemental Resolution.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the Issuer and the Original Purchaser relating to the sale and purchase of the Series 2013 Bonds.

"Bond Register" means the books of the Issuer maintained by the Registrar for the registration and transfer of the Series 2013 Bonds.

"Bond Year" means with respect to each series of the Series 2013 Bonds the 12 month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Bonds" means, collectively, the Series 2013 Bonds, the Prior Bonds and any additional parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

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

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 2013 Bonds in substantially the form set forth in EXHIBIT A – FORM OF SERIES 2013 BOND hereto.

"City" or "Issuer" means The City of Wheeling, a municipal corporation and political subdivision of the State of West Virginia, in Ohio County thereof, and, where appropriate, the Council, and any successor thereto.

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

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

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

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

"Code" shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, and Regulations thereunder and such guidance with respect thereto as may be issued by the Internal Revenue Service or Department of the Treasury from time to time.

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

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

"Continuing Disclosure Agreement" means the agreement delivered by the Issuer to disseminate annual financial information and material event disclosures as required by Rule 15c2-12.

"Costs" or similar terms means all those costs now or hereafter permitted by the Act to be financed with bonds issued pursuant hereto, including, without limitation those costs set forth in Section 1.02C.

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

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

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

"DTC-eligible" means, with respect to the Series 2013 Bonds, meeting the qualifications prescribed by DTC.

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

"FDIC" means the Federal Deposit Insurance Corporation or any successor to the functions of the FDIC.

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

"Governing Body" means the City Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the City Council, as it may now or hereafter be constituted.

"Government Obligations" shall have the meaning set forth in the Supplemental Resolution.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System and includes investment income, connection fees, disconnections fees, System use charges and fees, and all other items of income which have been established as reasonably anticipated annual income of the System, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts, and includes any proceeds from the sale or other disposition of capital assets, but does not include any increase in the value of capital assets (including Qualified Investments).

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

"Investment Property" means any security (as said term is defined in Section 165(g)(2)(A) or (B) of the Code), obligation, annuity contract, investment-type property or residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan, excluding, however, obligations the

interest on which is excluded from gross income, under Section 103 of the Code, for federal income tax purposes other than specified private activity bonds as defined in Section 57(a)(5)(C) of the Code.

"Maximum Annual Debt Service" means, at the time of computation, the greatest amount of Debt Service required to be paid on the Bonds for the then current or any succeeding Fiscal Year.

"Mayor" means the Mayor of the Issuer.

"Municipal Bond Insurance Policy" means the municipal bond insurance policy, if any, issued by the Bond Insurer simultaneously with the delivery of the Series 2013 Bonds insuring the timely payment of the principal of and interest on all or any of the Series 2013 Bonds in accordance with the terms thereof.

"Net Proceeds" means the face amount of the Series 2013 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, on such issue, and less proceeds deposited in the Series 2013 Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2013 Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

"Net Revenues" means Gross Revenues less Operating Expenses.

"Nonpurpose Investment" means any Investment Property which is acquired with the gross proceeds of the Series 2013 Bonds and is not acquired in order to carry out the governmental purpose of the Series 2013 Bonds.

"Official Statement" means a document or set of documents prepared by the Issuer setting forth, among other matters, information concerning the Issuer and the proposed issue of securities that is complete as of the date of delivery of the document or set of documents to the Original Purchaser.

"Operating Expenses" unless qualified, means the accrual basis expenses of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions, betterments or improvements for the System), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles.

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

"Original Purchaser" means the investment banking firm or firms, bank or banks or such other entity or entities as shall purchase the Series 2013 Bonds directly from the Issuer, as determined by the Supplemental Resolution.

"Outstanding" when used with reference to the Series 2013 Bonds or the Prior Bonds and as of any particular date, describes all Bonds theretofore and thereupon being issued and delivered except (a) any Bond or Prior Bond canceled by the registrar for such Bond or Prior Bonds at or prior to said date;

(b) any Bond or Prior Bonds for the payment of which monies, equal to its principal amount, with interest to the date of maturity, shall be held in trust under this Ordinance and set aside for such payment (whether upon or prior to maturity); (c) any Bond deemed to have been paid as provided by Section 9.01 hereof; and (d) with respect to determining the number or percentage of Bondholders or Bonds or Prior Bonds for the purpose of consents, notices and the like, any Bond registered to the Issuer. Notwithstanding the foregoing, in the event that a Bond Insurer has paid principal of and/or interest on any Bond or Prior Bond, such Bond or Prior Bond shall be deemed to be Outstanding until such time as such Bond Insurer has been reimbursed in full.

"Paying Agent" means, initially, the West Virginia Municipal Bond Commission and any other paying agent for the Series 2013 Bonds which may be appointed by a resolution supplemental hereto, all in accordance with Section 8.12 hereof.

"Prior Bonds" means, collectively, the Series 2005 A Bonds, Series 2006 A Bonds, and Series 2010 B Bonds.

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

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

"Project" means the acquisition and construction of certain additions, betterments and improvements to the System, including the acquisition of the rehabilitating and/or replacing low service pumps and other existing equipment associated with pretreatment processes, namely pre-sedimentation, aeration, flocculation and sedimentation; replacing the existing blower building and equipment; replacing existing chemical and storage systems associated with taste and odor control, coagulation, disinfection, lead and copper control and fluoridation; replacing existing rapid sand filters with new state-of-the art membrane filters and related chemical feed systems for maintenance; constructing a filtration and administration building to contain the membranes, new chemical feed systems, new laboratory and SCADA controls; replacing the existing clearwell with a new above-ground storage tank; and making various other improvements associated with repairs or upgrades to electrical systems, mechanical systems, architectural features, structural systems and safety aspects needed at the plant.

"Purchase Price" for the purpose of computation of the Yield of the Series 2013 Bonds, has the same meaning as the term "issue price" in Sections 1273(b) and 1274 of the Code, and, in general, means the initial offering price of the Series 2013 to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of the Bonds of each maturity is sold or, if the Series 2013 Bonds are privately placed, the price paid by the first buyer of the Series 2013 Bonds or the acquisition cost of the first buyer. "Purchase Price," for purposes of computing Yield of Nonpurpose Investments, means the fair market value of the Nonpurpose Investments on the date of use of Gross Proceeds of the Series 2013 Bonds for acquisition thereof, or if later, on the date that Investment Property constituting a Nonpurpose Investment becomes a Nonpurpose Investment of the Series 2013 Bonds.

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

"Record Date" means the date or dates which shall be so stated in the Series 2013 Bonds, regardless of whether such day is a Saturday, Sunday or legal holiday.

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

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

"Registrar" means the bank to be designated in the Supplemental Resolution as the Registrar for the Series 2013 Bonds, and any successor thereto appointed in accordance with Section 8.08 hereof.

"Regulations" means temporary and permanent regulations promulgated under the Code, and includes applicable regulations promulgated under the Internal Revenue Code of 1986 as amended.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created by the Prior Ordinances and continued hereby.

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

"Rule 15c2-12" means Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

"Series 2005 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000.

"Series 2006 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000.

"Series 2010 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2010 A, dated May 6, 2010, issued in the original aggregate principal amount of $4,455,000 which are expected to be defeased prior to the Closing of the Series 2013 Bonds.

"Series 2010 B Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000.

"Series 2013 Bonds Construction Fund" means the Series 2013 Bonds Construction Fund created by Section 4.01 hereof.

"Series 2013 Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt), of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 2013 Bonds Costs of Issuance Fund" means the Series 2013 Bonds Costs of Issuance Fund created by Section 4.01 hereof.

"Series 2013 Bonds Redemption Account" means the Redemption Account created by Section 4.02 hereof.

"Series 2013 Bonds Reserve Account" means the Series 2013 Bonds Reserve Account created in the Series 2013 Bonds Sinking Fund by Section 4.02 hereof.

"Series 2013 Bonds Reserve Account Requirement" means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2013 Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2013 Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2013 Bonds.

"Series 2013 Bonds Sinking Fund" means the Series 2013 Bonds Sinking Fund created by Section 4.02 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2013 Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any ordinance or resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution or Resolutions to be adopted by the Issuer following enactment of this Ordinance, setting forth the final amounts, maturities, interest rates, redemption provisions, Original Purchaser, approving a Bond Purchase Agreement and an Official Statement, Bond Insurer provisions (if any) and other terms of the Series 2013 Bonds and authorizing the sale of the Series 2013 Bonds to the Original Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Gross Revenues not required by the Ordinance to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, including, without limitation, the funds and accounts established for the Prior Bonds or the Series 2013 Bonds.

"System" means the complete existing combined municipal waterworks and sewerage system of the Issuer, as presently existing in its entirety or any integral part thereof and shall include, any stormwater system added to the System in the future, the Project and shall include any additions, betterments and improvements thereto hereafter acquired or constructed for said waterworks, sewage and/or stormwater systems from any sources whatsoever, both within and without the Issuer.

"Tax Certificate" means the Issuer's Tax Certificate dated as of the date of issuance of the Series 2013 Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

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

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

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

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

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

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

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

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

B. The Issuer presently owns and operates a public combined waterworks and sewerage system. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer, and for the improvement of the water environment of the Issuer, that there be acquired and constructed certain extensions, additions, betterments and improvements to the waterworks portion of the existing public combined waterworks and sewerage system of the Issuer, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. It is deemed necessary for the Issuer to issue its Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt), in the aggregate principal amount of not more than $49,500,000 to permanently finance the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2013 Bonds prior to and during acquisition or construction and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2013 Bonds Reserve Account; underwriter's discount, engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; premiums for Municipal Bond Insurance, reserve account insurance or reserve account surety bonds; letter of credit fees; discount; initial fees for the services of Registrars, Paying Agents, depositories or trustees or other costs in connection with the sale of the Series 2013 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; the acquisition and construction of the Project and the placing of same in operation; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2013 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

D. The period of usefulness of the System after completion of the Project is not less than 30 years.

E. It is in the best interests of the Issuer that the Series 2013 Bonds be sold to the Original Purchaser pursuant to the terms and provisions of the Bond Purchase Agreement, as shall be approved by the Supplemental Resolution of the Issuer.

F. The Issuer will have the following outstanding obligations which will rank on a parity with the Series 2013 Bonds as to liens, pledge, source of and security for payment, being the Issuer's: (i) Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000 (the "Series 2005 A Bonds"); (ii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000 (the "Series 2006 A Bonds"); and (iii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000 (the "Series 2010 B Bonds"), (collectively, the "Prior Bonds").

The Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2010 A, dated May 6, 2010, issued in the original aggregate principal amount of $4,455,000 are expected to be defeased prior to the Closing of the Series 2013 Bonds.

The Series 2013 Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all respects. Prior to the issuance of the Series 2013 Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met, and (ii) the written consent of the Holders of the Series 2005 A Bonds and the Series 2010 B Bonds to the issuance of the Series 2013 Bonds on a parity with the Prior Bonds. The Series 2006 A Bonds do not require consent. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with the covenants of the Prior Bonds and the Prior Ordinances.

G. The Issuer intends to issue the Series 2013 Bonds and to pledge for payment thereof, the Gross Revenues of the System, on a parity with each other and on a parity with such pledge in favor of the Holders of the Prior Bonds.

H. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient, to provide for the repair, maintenance and operation of the System, the payment of interest upon the Series 2013 Bonds, and the Prior Bonds and to create sinking funds, as hereinafter provided, to pay the principal on the Series 2013 Bonds and the Prior Bonds as and when it becomes due and reasonable reserves therefor, to provide an adequate Renewal and Replacement Fund, as hereinafter provided, and to make all other payments provided for in this Ordinance and the Prior Ordinances.

I. It is in the best interests of the Issuer, and the residents thereof, that the Issuer issue the Series 2013 Bonds, and secure the Series 2013 Bonds by a pledge and assignment of the Gross Revenues derived from the operation of the System, the monies in the Series 2013 Bonds Reserve Account, unexpended proceeds of the Series 2013 Bonds and as further set forth herein.

J. The Series 2013 Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the forms set forth in EXHIBIT A – FORM OF SERIES

2013 BOND attached hereto and incorporated herein by reference, with necessary and appropriate variations, omissions and insertions as permitted or required by this Ordinance or a Supplemental Resolution or as deemed necessary by the Registrar or the Issuer.

K. All things necessary to make the Series 2013 Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the Series 2013 Bonds, will be timely done and duly performed.

L. The enactment of this Ordinance, the execution and issuance of the Series 2013 Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

M. The Issuer has complied with all requirements of West Virginia law relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2013 Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the obtaining of a certificate of convenience and necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the date of issuance of the Series 2013 Bonds or such final order will not be subject to appeal or rehearing.

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the Series 2013 Bonds by those who shall own or hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Holders of any and all of such Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not more than $49,500,000. The proceeds of the Series 2013 Bonds hereby authorized shall be applied as provided herein.

The cost of the Project is estimated not to exceed $49,500,000 of which will be obtained from proceeds of the Series 2013 Bonds.

ARTICLE III

THE SERIES 2013 BONDS

Section 3.01. Form and Payment of Bonds. No Series 2013 Bond shall be issued pursuant to this Ordinance except as provided in this Article III. Any Series 2013 Bonds issued pursuant

to this Ordinance may be issued only as fully registered Series 2013 Bonds, in the denomination of $5,000 or any integral multiple thereof for any year of maturity. All Series 2013 Bonds shall be dated as of the date provided in a Supplemental Resolution applicable to such series. All Series 2013 Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2013 Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2013 Bonds shall be in default, Bonds issued in exchange for Series 2013 Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2013 Bonds surrendered.

The principal of and the premium, if any, on the Series 2013 Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Series 2013 Bonds shall be paid by check or draft made payable and mailed to the Holder thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of $1,000,000 or more of the Series 2013 Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

In the event any Series 2013 Bonds are redeemed in part, such bond shall be surrendered to and canceled by the Registrar, and the Issuer shall execute, and the Registrar shall authenticate and deliver to the Holder thereof, another Series 2013 Bond in the principal amount of said Series 2013 Bond then Outstanding.

Section 3.02. Execution of Bonds. The Series 2013 Bonds shall be executed in the name of the Issuer by the Mayor, by his manual or facsimile signature, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk by his or her manual or facsimile signature; provided, that, all such signatures and the seal may be by facsimile. In case any one or more of the officers who shall have signed or sealed any of the Series 2013 Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2013 Bonds shall be signed and sealed on behalf of the City by such person as at the actual time of the execution of such Bonds shall hold the proper office in the City, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Series 2013 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Ordinance unless and until the Certificate of Authentication and Registration on such Series 2013 Bond, substantially in the form set forth in EXHIBIT A – FORM OF SERIES 2013 BOND attached hereto and incorporated herein by reference with respect to the Series 2013 Bonds, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any such Series 2013 Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Ordinance. The Certificate of Authentication and Registration on any Series 2013 Bond shall be deemed to have been executed by the Registrar if signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Series 2013 Bonds issued hereunder.

Section 3.04. Negotiability and Registration. Subject to the requirements for transfer set forth below, the Series 2013 Bonds shall be, and have all of the qualities and incidents of, negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder, in accepting any of said Bonds, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Series 2013 Bonds remain Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Series 2013 Bonds. The Series 2013 Bonds shall be transferable only by transfer of registration upon the Bond Register by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or such duly authorized attorney or legal representative. Upon transfer of a Series 2013 Bond, there shall be issued at the option of the Holder or the transferee another Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond.

Upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar and duly executed by the registered owner or his attorney or legal representative duly authorized in writing, Series 2013 Bonds may at the option of the Holder thereof be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate, in any authorized denominations.

In all cases in which the privilege of transferring or exchanging a Series 2013 Bond is exercised, Bonds shall be delivered in accordance with the provisions of this Ordinance. All Series 2013 Bonds surrendered in any such transfer or exchange shall forthwith be canceled by the Registrar. Transfers of Series 2013 Bonds, the initial exchange of Bonds and exchanges of Bonds in the event of partial redemption of fully registered Bonds shall be made by the Registrar without charge to the Holder or the transferee thereof, except as provided below. For other exchanges of Series 2013 Bonds, the Registrar may impose a service charge. For every such transfer or exchange of Series 2013 Bonds, the Registrar may make a charge sufficient to reimburse its office for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such tax or governmental charge, and such service charge for exchange other than the initial exchange or in the event of partial redemption, shall be paid by the person requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Series 2013 Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2013 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may execute, in its discretion, and the Registrar shall authenticate, register and deliver any new Bond of like series, maturity and principal amount as the Bond, so mutilated, destroyed, stolen or lost, in exchange and upon surrender and cancellation of, such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing the Issuer and the Registrar proof of his ownership thereof and that said Bond has been destroyed, stolen or lost and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer or the Registrar may incur. The name of the Bondholder listed in the Bond Register shall constitute proof of ownership. All Series 2013 Bonds so surrendered shall be submitted to and canceled by the Registrar, and evidence of such cancellation shall be given to the Issuer. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer, by and

through the Registrar, may pay the same, upon being indemnified as aforesaid, and, if such Bond be lost, stolen or destroyed, without surrender therefor.

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

Section 3.06. Term Bonds. In the event Term Bonds are issued as part of the Series 2013 Bonds pursuant to this Ordinance, the following provisions shall apply:

1. The amounts to be deposited, apportioned and set apart by the Issuer from the Revenue Fund and into the Series 2013 Bonds Redemption Account in accordance with Subsection 4.03(A)(1) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 12 months prior to the first mandatory redemption date of said Term Bonds, a sum equal to 1/12th of the amount (or, if the Series 2013 Bonds mature semiannually rather than annually, that month which is 6 months prior to the first mandatory redemption date of said Term Bonds, a sum equal to 1/6th of the amount) required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next ensuing mandatory Redemption Date, which amounts and dates, if any, with respect to a series of Bonds shall be set forth in the Supplemental Resolution relating thereto.

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

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

4. After said 60th day but prior to the date on which the Registrar selects the Term Bonds to be redeemed, the Bond Commission may use the monies in the Series 2013 Bonds Redemption Account to purchase Term Bonds at a price less than the par value thereof and accrued interest thereon. The Bond Commission shall advise the Issuer and the Registrar of any Term Bonds so purchased, and they shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory Redemption Date, and any excess shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

5. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the Redemption Date (interest to be paid from the Series 2013 Bonds Sinking Fund), as will exhaust as nearly as practicable such Series 2013 Bonds Redemption Account payment designated to be made in accordance with paragraph (A)(1) of this section. Such redemption shall be by random selection made on the 45th day preceding the mandatory Redemption Date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of $5,000.

Section 3.07. Notice of Redemption. Unless waived by any Holder of the Series 2013 Bonds to be redeemed, official notice of any redemption shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the applicable Bond Insurer, the Original Purchaser, and the registered owner of the Series 2013 Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

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

(1) The Redemption Date,

(2) The Redemption Price,

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

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

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

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

If funds sufficient to redeem all Series 2013 Bonds called for optional redemption have not been deposited with the Paying Agent at the time of mailing any notice of optional redemption, such notice shall also state that such optional redemption is subject to the deposit of such monies with the Paying Agent on or before the Redemption Date. If such monies are not so deposited, the Registrar shall notify all holders of Series 2013 Bonds called for redemption of such fact.

Official notice of redemption having been given as aforesaid, the Series 2013 Bonds, or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Series 2013 Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the

same maturity in the amount of the unpaid principal of such Bond. All Series 2013 Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of Series 2013 Bonds, and failure to mail such notice shall not affect the validity of proceedings for the redemption of any portion of Bonds for which there was no such failure.

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

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

Section 3.10. Series 2013 Bonds. For the purposes of paying all or a portion of the costs of acquisition and construction of improvements and betterments to the waterworks portion of the System, paying capitalized interest, if any, funding the Series 2013 Bonds Reserve Account and paying costs in connection therewith, there shall be issued the Series 2013 Bonds of the Issuer, in one or more series, in an aggregate principal amount of not more than $49,500,000. Said Series 2013 Bonds shall be designated "Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" or such other designation as may be appropriate for the year and sequence of the issue, as may be set forth in a Supplemental Resolution, and shall be issued in fully registered form, in the denomination of $5,000 or any integral multiple thereof for any period of maturity, not exceeding the aggregate principal amount of Series 2013 Bonds maturing in the period of maturity for which the denomination is to be specified. The Series 2013 Bonds shall be numbered from AR-1 consecutively upward. The Series 2013 Bonds shall be dated; shall be in such aggregate principal amount (not to exceed $49,500,000); shall bear interest at such rate or rates, not exceeding the then legally permissible rate (not to exceed 6%), payable semiannually on such dates; shall mature on such dates (which may be annual or semi-annual) (not to exceed 30 years) and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Book Entry System for Series 2013 Bonds. A. The Series 2013 Bonds shall each initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Series 2013 Bonds of each maturity, registered in the name of CEDE & CO., as nominee of DTC. Except as provided in paragraph E below, all of the Series 2013 Bonds shall be registered in the registration books kept by the Registrar in the name of CEDE & CO., as nominee of DTC; provided that if DTC shall request that the Series 2013 Bonds be registered in the name of a different nominee, the Registrar shall exchange all or any portion of the Series 2013 Bonds registered in the name of such nominee or nominees. No person other than DTC or its nominee shall be entitled to receive from the

Issuer or the Registrar either a Series 2013 Bond or any other evidence of ownership of the Series 2013 Bonds, or any right to receive any payment in respect thereof unless DTC or its nominee shall transfer record ownership of all or any portion of the Series 2013 Bonds on the registration books maintained by the Registrar, in connection with discontinuing the book entry system as provided in paragraph E below.

B. At or prior to settlement for the Series 2013 Bonds, the Issuer and the Registrar shall execute or signify their approval of a representation letter addressed to DTC in a form satisfactory to DTC (the "Representation Letter"). Any successor Registrar shall, in its written acceptance of its duties under this Ordinance, agree to take any actions necessary from time to time to comply with the requirements of the Representation Letter.

C. So long as the Series 2013 Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal or Redemption Price of or interest on such Series 2013 Bonds shall be made to DTC or its nominee at the addresses set forth in the Representation Letter in New York Clearing House or equivalent next day funds on the dates provided for such payments to be made to any Bondholder under this Ordinance. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the Issuer and the Registrar with respect to the principal or Redemption Price of or interest on the Series 2013 Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Series 2013 Bonds Outstanding of any maturity, the Registrar shall not require surrender by DTC of the Series 2013 Bonds so redeemed, but DTC may retain such Series 2013 Bonds and make an appropriate notation on the Series 2013 Bonds certificate as to the amount of such partial redemption; provided that DTC shall deliver to the Registrar, upon request, a written confirmation of such partial redemption. The records maintained by the Registrar shall be conclusive as to the amount of the Series 2013 Bonds of such maturity which have been redeemed.

D. The Issuer, the Paying Agent and the Registrar may treat DTC as the sole and exclusive owner of the Series 2013 Bonds registered in its name or the name of its nominee for the purposes of payment of the principal or Redemption Price of or interest on the Series 2013 Bonds, selecting the Series 2013 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under this Ordinance, registering the transfer of Series 2013 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Issuer nor the Registrar shall be affected by any notice to the contrary. Neither the Issuer nor the Registrar shall have any responsibility or obligation to any direct or indirect participant in DTC, any person claiming a beneficial ownership interest in the Series 2013 Bonds under or through DTC or any such participant, or any other person which is not shown on the registration books of the Registrar as being a Bondholder with respect to (i) the Series 2013 Bonds, (ii) the accuracy of any records maintained by DTC or any such participant, (iii) the payment by DTC or any such participant of any amount in respect of the principal or Redemption Price of or interest on the Series 2013 Bonds, (iv) any notice which is permitted or required to be given to Bondholders under this Ordinance, (v) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Series 2013 Bonds, or (vi) any consent given or other action taken by DTC as Bondholder.

E. The book entry system for registration of the ownership of the Series 2013 Bonds may be discontinued at any time if either: (i) DTC determines to resign as securities depository for the Series 2013 Bonds; or (ii) the Issuer determines that continuation of the system of book entry transfers through DTC (or through a successor securities depository) is not in the best interest of the beneficial owners of the Series 2013 Bonds. In either of such events (unless in the case described in clause (iii) above, the Issuer appoints a successor securities depository), the Series 2013 Bonds shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be

designated by DTC, but without any liability on the part of the Issuer or the Registrar for the accuracy of such designation. Whenever DTC requests the Issuer and the Registrar to do so, the Issuer and the Registrar shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Series 2013 Bonds.

Section 3.12. Delivery of Series 2013 Bonds. The Issuer shall execute and deliver the Series 2013 Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2013 Bonds to the Original Purchaser upon receipt of the documents set forth below:

(1) If not registered in the name of DTC or its nominee, a list of the names in which the Series 2013 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;

(2) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2013 Bonds to DTC for the benefit of the Original Purchaser;

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

(4) The unqualified approving opinion upon the Series 2013 Bonds by Bond Counsel; and

(5) Such other opinions, certificates and documents as shall be reasonably requested by the Original Purchaser.

Section 3.13. Form of Series 2013 Bonds. The definitive Series 2013 Bonds shall be in substantially the form set forth in EXHIBIT A - SERIES 2013 BOND FORM attached hereto and incorporated herein by reference, with such necessary and appropriate omissions, insertions and variations as are approved by those officers executing such Series 2013 Bonds on behalf of the Issuer and execution thereof by such officers shall constitute conclusive evidence of such approval, and the definitive Series 2013 Bonds shall have the form of the opinion of Steptoe & Johnson PLLC, as Bond Counsel, attached thereto or printed on the reverse thereof.

Section 3.14. Disposition of Proceeds of Series 2013 Bonds. Upon the issuance and delivery of the Series 2013 Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

(1). All interest accrued, if any, on the Series 2013 Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2013 Bonds Sinking Fund and applied to payment of interest on the Series 2013 Bonds at the first interest payment date.

(2). An amount of the proceeds of the Series 2013 Bonds equal to the amount, if any, set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2013 Bonds Reserve Account, provided that, to the extent the Series 2013 Bonds Reserve Requirement is satisfied in whole or in part from a reserve account letter of credit, surety bond or other credit facility, proceeds of the Series 2013 Bonds shall be deposited in the Series 2013 Bonds Reserve Account only to the extent needed to satisfy the balance of the Series 2013 Bonds Reserve Requirement.

(3). The amount of Series 2013 Bond proceeds which, together with other monies or securities deposited therein shall be equal to the Costs of Issuance of the Series 2013 Bonds shall be

deposited with the Depository Bank in the Series 2013 Bonds Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2013 Bonds at the written direction of the Issuer. Monies not to be applied immediately to pay such costs of issuance may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 120 days following the Closing Date for the Series 2013 Bonds, such unapplied proceeds shall be transferred by the Issuer to the Series 2013 Bonds Sinking Fund established in Section 4.01 hereof and applied to the next ensuing payment of interest on the Series 2013 Bonds. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2013 Bonds from which such proceeds are derived.

(4). The balance of Series 2013 Bonds proceeds, if any, shall be deposited in the Series 2013 Bonds Construction Fund and disbursed as provided in Section 3.15 hereof.

Section 3.15. Disbursements from the Series 2013 Bonds Construction Fund. Disbursements from the Series 2013 Bonds Construction Fund, except for payment of Costs of Issuance of the Series 2013 Bonds in excess of the monies available in the Costs of Issuance Fund which shall be made upon request of the Issuer, shall be made only for acquisition and construction of the Project, including all necessary engineering and other professional services relating thereto. Pending such application, monies in the Series 2013 Bonds Construction Fund, including any accounts therein, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2013 Bonds from which such proceeds are derived.

ARTICLE IV

SYSTEM REVENUES; FUNDS AND ACCOUNTS

Section 4.01. Establishment of Funds and Accounts with Depository Bank. Pursuant to this Article IV, the following special funds are created with (or continued if previously established by Prior Ordinances), and shall be held by, the Depository Bank, segregated from all other funds and accounts of the Depository Bank or the Issuer and from each other (except as set forth in this Section 4.01), and used solely for the purposes provided herein:

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

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

(3) Series 2013 Bonds Costs of Issuance Fund;

(4) Rebate Fund; and

(5) Series 2013 Bonds Construction Fund.

Section 4.02. Establishment of Funds and Accounts with Bond Commission. The following special funds or accounts are hereby created (or continued if established by Prior Ordinances) 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:

(1) Series 2005 A Bonds Sinking Fund (established by Prior Ordinances)

(2) Series 2005 A Bonds Reserve Account (established by Prior Ordinances);

(3) Series 2006 A Bonds Sinking Fund (established by Prior Ordinances);

(4) Series 2006 A Bonds Reserve Account (established by Prior Ordinances);

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

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

(7) Series 2013 Bonds Sinking Fund; and

(8) Series 2013 Bonds Reserve Account

Section 4.03. System Revenues and Application Thereof. So long as any of the Series 2013 Bonds shall be Outstanding and unpaid, the Issuer covenants as follows:

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

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) the amounts required by the Prior Ordinances to pay interest on the Prior Bonds; and (ii) beginning on the first day of that month which is 6 months prior to the first interest payment date on the Series 2013 Bonds, apportion and set apart out of the Revenue Fund and deposit in the Series 2013 Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on said Series 2013 Bonds on the next ensuing semiannual interest payment date, provided, that in the event the period to elapse between the date of such initial deposit in the Series 2013 Bonds Sinking Fund and the next ensuing semiannual interest payment date is less than or greater than 6 months, then such monthly payments shall be increased or decreased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date, and provided further, that the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2013 Bonds Sinking Fund shall be reduced by the amount of accrued interest, if any, on the Series 2013 Bonds deposited therein and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Series 2013 Bonds Sinking Fund shall be reduced by the amount of any earnings credited to the Series 2013 Bonds Sinking Fund;

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and, simultaneously remit to the Commission (i) the amounts required by the Prior Ordinances to pay principal on the Prior Bonds; and (ii) for deposit in the Series 2013 Bonds Sinking Fund (and in the Series 2013 Bonds Redemption Account therein in the case of Term Bonds which are to be redeemed) on the first day of each month, beginning on the first day of that month which is 12 months prior to the first

principal payment or mandatory Redemption Date of the Series 2013 Bonds, a sum equal to 1/12th of the amount (or 1/6th of the amount if the Series 2013 Bonds mature semiannually rather than annually) of principal which will mature or be redeemed and become due on the Series 2013 Bonds on the next ensuing principal payment or mandatory Redemption Date, provided, that in the event the period to elapse between the date of such initial deposit in the Series 2013 Bonds Sinking Fund and the next ensuing principal payment or mandatory Redemption Date is less than or greater than 12 months (or 6 months if the Series 2013 Bonds mature semiannually rather than annually), then such monthly payments shall be increased or decreased proportionately to provide, one month prior to the next ensuing principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Series 2013 Bonds Sinking Fund and not previously credited pursuant to the preceding paragraph.

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

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and, simultaneously remit to the Commission (i) the amounts required by the Prior Ordinances to be deposited in the Prior Bonds Reserve Accounts; and (ii) commencing 13 months prior to the first date of payment of principal of the Series 2013 Bonds or upon completion of construction of the Project, whichever is earlier, if not fully funded upon issuance of the Series 2013 Bonds, for deposit in the Series 2013 Bonds Reserve Account, an amount equal to 1/120th of the Series 2013 Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 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 2013 Bonds Reserve Requirement; provided further, that if the amounts in the Series 2013 Bonds Reserve Account, as a result of a decrease in value of the Series 2013 Bonds Reserve Account below the Series 2013 Bonds Reserve Account Requirement or any withdrawal from the Series 2013 Bonds Reserve Account, the Issuer shall apply such monies for deposit into the Series 2013 Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2013 Bonds Reserve Account results in a determination that the amount of monies and the value of the Qualified Investments deposited to the credit of the Series 2013 Bonds Reserve Account is less than the Series 2013 Bonds Reserve Account Requirement, or (b) any amount is withdrawn from the Series 2013 Bonds Reserve Account for deposit into the Series 2013 Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefor, the amount so deposited shall be used to restore the amount of monies on deposit in the Series 2013 Bonds Reserve Account to an amount equal to the Series 2013 Bonds Reserve Account Requirement to the full extent that such Gross Revenues are available; provided, however, that if the shortfall in the Series 2013 Bonds Reserve Account is due to a decrease in the value of investments therein, such shortfall shall be replenished by not less than 4 equal monthly payments, and if such shortfall is due to a withdrawal from the Series 2013 Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2013 Bonds Reserve Account

whenever and as long as the amount deposited therein shall be equal to the Series 2013 Reserve Account Requirement.

Amounts in the Series 2013 Bonds Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Series 2013 Bonds when due, when amounts in the Series 2013 Bonds Sinking Fund are insufficient therefor and for no other purpose.

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

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

B. The Bond Commission is hereby designated as the fiscal agent for the administration of the Series 2013 Bonds Sinking Fund created hereunder, and all amounts required for said Sinking Fund shall be remitted to the Bond Commission from said Revenue Fund and from the proceeds of the sale of the Series 2013 Bonds, by the Issuer at the times and as otherwise provided herein. All remittances made by the Issuer to the Bond Commission shall clearly identify the fund or account into which each amount is to be deposited.

C. The monies on deposit in the Revenue Fund and the Renewal and Replacement Fund in excess of the sum insured by the FDIC shall at all times be secured, to the full extent thereof in excess of such insured sum, by Government Obligations or by other Qualified Investments as shall be eligible as security for deposits of municipal funds under the laws of the State.

D. Principal, interest or reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2013 Bonds, all in accordance with the respective principal amounts then Outstanding.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE; REBATES AND CONTINUING DISCLOSURE

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

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

The following specific provisions shall apply with respect to any investments made under this section (unless otherwise required by the Bond Insurer and as set forth in the Supplemental Resolution):

(A) Qualified Investments acquired for the Series 2013 Bonds Reserve Account shall mature or be subject to retirement at the option of the holder within not more than 5 years from the date of such investment.

(B) The Issuer shall, or shall cause the Bond Commission to, annually transfer from the Series 2013 Bonds Reserve Account to the Series 2013 Bonds Sinking Fund any earnings on the monies deposited therein and any other funds in excess of the Series 2013 Bonds Reserve Requirement, provided, however, that there shall at all times remain on deposit in the Series 2013 Bonds Reserve Account an amount at least equal to the Series 2013 Bonds Reserve Requirement.

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal from the Series 2013 Bonds Reserve Account, whereupon it shall be valued immediately after such withdrawal. If amounts on deposit in the Series 2013 Bonds Reserve Account shall, at any time, be less than the applicable Series 2013 Bonds Reserve Requirement , the applicable Bond Insurer, if any, shall be notified immediately of such deficiency, and such deficiency shall be made up from the first available Gross Revenues after required deposits to the Sinking Fund and otherwise in accordance with Section 4.03.

(D) All amounts representing accrued and capitalized interest shall be held by the Bond Commission, pledged solely to the payment of interest on the Series 2013 Bonds, as appropriate, and invested only in Government Obligations maturing at such times and in such amounts as are necessary to match the interest payments to which they are pledged.

(E) Notwithstanding the foregoing, all monies deposited in the Series 2013 Bonds Sinking Fund may be invested by the Bond Commission in the West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the Code of West Virginia, 1931, as amended.

Section 5.02. Continuing Disclosure Agreement. The Issuer shall deliver a continuing disclosure agreement or certificate in form acceptable to the Original Purchaser, the form of which shall be approved by the Supplemental Resolution, sufficient to ensure compliance with Rule 15c2-12, as it may be amended from time to time, and the Issuer hereby instructs the Mayor and Clerk to take all actions necessary for the Issuer to comply with the Continuing Disclosure Agreement.

Section 5.03. Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 2013 Bonds which would cause the Series 2013 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Series 2013 Bonds) so that the interest on the Series 2013 Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 5.04. Tax Certificate, Rebates, and Rebate Fund. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by Bond Counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of any series of Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2013 Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Ordinance.

The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be in time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefore. The Issuer at its expense, may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 5.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In

the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants Binding and Irrevocable. All the covenants, agreements and provisions of this Ordinance shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2013 Bonds, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Ordinance, the Issuer hereby covenants and agrees with the Holders of the Series 2013 Bonds, as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2013 Bonds or the interest thereon, are Outstanding and unpaid.

Section 6.02. Bonds not to be Indebtedness of the Issuer. The Series 2013 Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, the monies in the Series 2013 Bonds Sinking Fund and all accounts therein, the unexpended proceeds of the Series 2013 Bonds or money in the Series 2013 Bonds Construction Fund, if any, all as herein provided. No Holder or Holders of any Series 2013 Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay said Series 2013 Bonds or the interest thereon.

Section 6.03. Bonds Secured by Pledge of Gross Revenues and Monies in Sinking Fund. The payment of the debt service of all of the Series 2013 Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the operation of the System on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds and, in the instance of the Series 2013 Bonds, all monies and securities in the Series 2013 Bonds Sinking Fund, including the Series 2013 Bonds Reserve Account therein to the extent necessary to make the payments required under Section 4.03. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 2013 Bonds herein authorized, to make the payments into the Series 2013 Bonds Sinking Fund, all monies and securities in the Series 2013 Bonds Sinking Fund, the Series 2013 Bonds Reserve Account and all other payments provided for in this Ordinance, are hereby irrevocably pledged in the manner provided in this Ordinance to the payment of the principal of and interest on the Prior Bonds and the Series 2013 Bonds herein authorized as the same become due and for the other purposes provided in this Ordinance.

Section 6.04. Rates. 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 Ordinance. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the sewer rate ordinance of the Issuer enacted November 15, 2011 as amended by Recommended Decision entered April 19, 2012, and Commission Order dated May 18, 2012 in Case No. 11-1772-S-MA of the Public Service Commission of West Virginia (the "PSC"), and the water rate ordinance of the Issuer dated November 15, 2011, as amended by Recommended Decision entered July 31, 2012, which became Final Order on August 20, 2012 in Case No. 11-1770-W-MA of the PSC, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2013 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 this Ordinance and in compliance with this Ordinance. In the event the schedule of rates and charges initially established for the System in connection with the Series 2013 Bonds shall prove to be insufficient to produce the required sums set forth in this Ordinance, 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 Ordinance.

Prior to the issuance of the Series 2013 Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the City Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder. Such schedule or schedules of rates and charges shall be 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 so long as the Prior Bonds are outstanding, the schedule or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as set forth below, and thereafter, sufficient, together with other revenues of the System, to provide for all Operating Expenses of the System and 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 on the Series 2013 Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds including the Prior Bonds.

In the computation provided in the above paragraph, "revenues of the System" shall include increased Net Revenues estimated to be derived from any improvements under construction, and any change in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia, (without successful appeal), whether or not such approved rates are being charged and collected by the Issuer.

The Issuer hereby covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 90 days following a determination of the Independent Certified Public Accountant that less than the above-

required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

Section 6.05. Completion of Project; Operation and Maintenance. The Issuer will complete the Project as promptly as possible. The Issuer will maintain the System in good condition and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the revenues of said System in the manner provided in this Ordinance.

The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia necessary for the acquisition and construction of the Project and the operation of the System.

Section 6.06. Sale of the System. So long as the Prior Bonds are Outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of the System, except as provided by the Prior Ordinances. Additionally, so long as the Series 2013 Bonds are Outstanding, the System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to defease the pledge created by this Ordinance and the Prior Ordinances. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Bond Commission for deposit in the Series 2013 Bonds Sinking Fund, and otherwise as prescribed by Section 9.01. Any balance remaining after such defeasance shall be remitted to the Issuer by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the Gross 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 is not in excess of $500,000, the Issuer may provide for the sale of such property. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $500,000 but not in excess of $5,000,000 the Issuer by resolution duly adopted, find that the property is no longer necessary, useful or profitable in the operation of the System and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property which are less than $500,000 may be deposited into the Revenue Fund or the Renewal and Replacement Fund, at the sole discretion of the Issuer. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $500,000 and not in excess of $5,000,000, shall be deposited by the Issuer into the Renewal and Replacement Fund.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of 5,000,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of any applicable Bond Insurer, if any, or if the Series 2013 Bonds are not insured, the Holders, or their duly authorized representatives, of 51% in amount of Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the Bond Insurer, if any, or if the Series 2013 Bonds are not insured, the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except Additional Parity Bonds provided for in Section 6.08 hereof, payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from the Gross Revenues with the Series 2013 Bonds; and all obligations hereafter issued by the Issuer 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 2013 Bonds.

The Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or, except with respect to such Additional Parity Bonds, being on a parity with the lien of the Series 2013 Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2013 Bonds and the interest thereon in this Ordinance or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable.

No such Additional Parity Bonds (as hereinafter defined) shall be issued except for the purposes of financing the costs of the design, acquisition and construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds or Additional Parity Bonds, or to pay claims which may exist against the revenues or facilities of the System or all of such purposes.

So long as the Series 2013 Bonds are Outstanding, no such Additional Parity Bonds shall be issued at any time, however, unless and until there has been procured a written statement by an Independent Certified Public Accountant, reciting the conclusion that the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 2 Fiscal Years immediately following the Fiscal Year in which such Additional Parity Bonds are issued, if any, shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

(2) Any Additional Parity Bonds theretofore issued pursuant to the provisions contained in the Prior Ordinances and this Ordinance then Outstanding; and

(3) The Additional Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues" as that term is used in the computation provided in the above paragraph, shall include increased Net Revenues estimated to be derived from the improvements to be financed by such Additional Parity Bonds, if any, and any change in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) or such rates have been approved by the Public Service Commission of West Virginia (without successful appeal), prior to the date of delivery of such Additional Parity Bonds, whether or not such approved rates are being charged and collected by the Issuer.

The term "Additional Parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Bonds. All covenants and other provisions of this Ordinance (except as to details of such Additional Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Additional Parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. 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 Ordinance required for and on account of such Additional Parity Bonds, in addition to the payments required for the Bonds theretofore issued pursuant to this Ordinance.

Additional 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 liens of the Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to the lien on and source of and security for payment from such revenues, with the Bonds.

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

Provided, however, that if the audit by an Independent Certified Public Accountant for the Issuer for the Fiscal Year immediately preceeding the proposed issuance of Additional Parity Bonds states that the Issuer was not in compliance with the rate covenant in Section 6.04 of this Ordinance for the year being audited and the Issuer has, as required by Section 6.04, enacted a rate ordinance seeking a rate increase sufficient to comply with Section 6.04, such statement in the most recent audit shall not be considered a violation of the covenants, agreements and terms of this Ordinance, so as to prevent the Issuer from issuing Additional Parity Bonds under this Section 6.08.

Section 6.09. Insurance and Bonds. The Issuer hereby covenants and agrees, that so long as the Series 2013 Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance and bonds and workers' compensation coverage with a reputable insurance carrier or carriers or bonding company or companies rated at least "A" by Standard & Poor's Corporation covering the following risks and in the following amounts:

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the greater of the fair appraised value or the original cost thereof. In the event of any damage to or destruction of any portion of the System, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damages or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

B. PUBLIC LIABILITY INSURANCE, with limits of not less than is customarily carried by municipalities of equivalent size with respect to works and properties similar to the System to protect the Issuer from claims for bodily injury and/or death and 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, provided that, the Issuer, (with provision for reasonable reserves, participate in a captive insurance company or participate in an insurance pool for municipalities and other political subdivisions.

If the Issuer determines in good faith that any required insurance is not commercially available at a reasonable cost with reasonable terms, it shall engage an insurance consultant to verify the determination and to make recommendations regarding the types, amounts and provisions of any such insurance that should be purchased or funded by the Issuer, taking into consideration the costs and practices of other municipal water and sewer systems of similar size and type in the State to the extent that such information is available. The Issuer may, upon resolution adopted in good faith and upon the recommendations of the insurance consultant, adopt alternate or supplemental risk management programs which the Issuer determines to be reasonable, including the right to self-insure, participate in captive insurance companies and participate in an insurance pool for municipalities and other political subdivisions

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

D. FLOOD INSURANCE, 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.

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

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

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

The Issuer shall also require all contractors engaged in the construction of the Project to carry such workers' compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project.

Section 6.10. Services Rendered to the Issuer. The Issuer will not render or cause to be rendered any free services of any nature by its System; and, in the event the Issuer or any department,

agency, instrumentality, officer or employee thereof shall avail himself of the facilities or services provided by the System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. Such charges shall be paid as they accrue, and the Issuer shall transfer from its general funds sufficient sums to pay such charges for service to any of its departments or properties. The revenues so received shall be deemed to be revenues derived from the operation of the System and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 6.11. 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.

To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent rates, rentals and other charges, if not paid, shall become a lien on the premises served by the System. The Issuer further covenants and agree 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 and facilities of the System to all delinquent users of services and facilities of the System and will not restore such services of the System until all billing for charges for the services and facilities of the System, including penalties and reconnect fees, have been fully paid, or a payment agreement in compliance with the West Virginia Public Service Commission regulations has been entered.

Section 6.12. 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 or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 6.13. Books and Records. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Series 2013 Bond, shall have the right at all reasonable times to inspect the System, and all parts thereof, and all records, accounts and data of the Issuer relating thereto.

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be completely audited by an Independent Accountant, shall mail upon request, and make available generally, the report of said Independent Certified Public Accountant, or a summary thereof, to any Holder or Holders of Series 2013 Bonds issued pursuant to this Ordinance.

Section 6.14. Operating Budget. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, or at such earlier date required by the charter of the Issuer, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. 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 Original Purchaser and to any Bondholder or anyone acting for and in behalf of such Bondholder who requests the same.

Section 6.15. Mandatory Connections. The mandatory use of the sewerage portion of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer, and in order to assure the rendering harmless of sewage and waterborne waste matter produced or arising within the territory served by the sewerage portion of the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the sewerage portion of the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building and every such owner, tenant or occupant shall, after a 30 day notice of the availability of sewerage services of the System, pay the rates and charges established therefor.

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

Section 6.16. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2013 Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon the issuance of the Series 2013 Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 6.17. Covenants Regarding the Municipal Bond Insurance Policy. The Issuer intends to obtain a Municipal Bond Insurance Policy for the Series 2013 Bonds. In the event such Municipal Bond Insurance Policy is obtained, certain additional covenants of the Issuer will be required by the Bond Insurer as a condition to insuring the Series 2013 Bonds. These additional covenants shall be set forth in full in the Supplemental Resolution, shall apply to the Series 2013 Bonds and any other Bonds which may be insured by such Bond Insurer, and shall be controlling in the event any other provisions of this Ordinance may be in conflict therewith.

Section 6.18. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2013 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 2013 Bonds during the term thereof is, under the terms of the Series 2013 Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the

Net Proceeds of the Series 2013 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 2013 Bonds during the term thereof is, under the terms of the Series 2013 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 2013 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2013 Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2013 Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan to persons other than state or local government units

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2013 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2013 Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take all actions that may be required of it so that the interest on the Series 2013 Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion. .

Section 6.19. Continuing Disclosures. In order to provide the written undertaking for the benefit of the owners of the Series 2013 Bonds required by the Securities and Exchange Commission Rule 15c2-12, the Issuer shall enter into a Continuing Disclosure Agreement in such form as may be approved by the Supplemental Resolution, and the Mayor is authorized and directed to execute and deliver such Continuing Disclosure Agreement on behalf of the Issuer, with such changes as the Mayor shall approve, such approval to be conclusively evidenced by the execution of such Agreement by the Mayor.

Section 6.20 Preliminary Official Statement; Official Statement. The distribution of the Preliminary Official Statement with respect to the Series 2013 Bonds shall be and the same is hereby approved. The form of the Preliminary Official Statement shall be in such form as may be approved by the Supplemental Resolution. The Mayor is hereby authorized and directed to execute and deliver a final official statement on behalf of the Issuer, which shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be required to reflect the terms of the sale of the Series 2013 Bonds and as the Mayor may approve (the "Official Statement"). The execution of the Official Statement by the Mayor shall be conclusive evidence of such approval. Copies of the Official Statement are hereby authorized to be prepared and furnished to the Original Purchaser for distribution.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2013 Bonds:

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

(B) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part in this Ordinance or any Supplemental Resolution or in the Series 2013 Bonds contained, and such default shall have continued for a period of 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Issuer by any Bondholder or any Insurer; or

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

(D) If default occurs with respect to the Prior Bonds or the Prior Ordinances.

Section 7.02. Enforcement. Upon the happening and continuance of any Event of Default, any Bondholder (with the prior written consent of the applicable Bond Insurer) or any Bond Insurer may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his rights and, in particular:

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

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

(C) Bring suit upon the Series 2013 Bonds, as applicable;

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

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

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

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

No waiver of any default or Event of Default hereunder by the Bondholders shall be made without the prior written consent of the applicable Bond Insurer or shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto.

Section 7.03. Appointment of Receiver. If there be any Event of Default existing and continuing, any Bondholder or any Bond Insurer shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of the principal of and interest on the Series 2013 Bonds, and the Prior Bonds, the deposits into the funds and accounts hereby established as herein provided and the payment of Operating Expenses of the System and to apply such rates, rentals, fees, charges or other Revenues in conformity with the provisions of this Ordinance and the Act.

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

Whenever all that is due upon the Series 2013 Bonds issued pursuant to this Ordinance and interest thereon and under any covenants of this Ordinance for reserve, sinking or other funds and accounts and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the Revenues of the System shall have been paid and made good, and all defaults under the provisions of this Ordinance shall have been cured and made good, and all monies due hereunder or under any Supplemental Resolution have been paid in full, 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 Bondholder shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and the Holders of the Series 2013 Bonds issued pursuant to this Ordinance. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the possession, operation and maintenance of the System, for the sole purpose of the protection of both the Issuer and the Bondholders, and the curing and making good of any default under the provisions of this Ordinance, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any assets of the System.

Notwithstanding any other provision of this Ordinance, in determining whether the rights of the Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of this Ordinance, any trustee or Bondholder's committee shall consider the effect on the Bondholders as if no Municipal Bond Insurance Policy were then in effect.

Section 7.04. 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 VIII

REGISTRAR AND PAYING AGENT

Section 8.01. Appointment of Registrar. The Registrar for the Series 2013 Bonds shall be appointed pursuant to the Supplemental Resolution. The Issuer is hereby authorized and directed to enter into an agreement with the Registrar, the substantial form of which agreement is to be approved by Supplemental Resolution.

Section 8.02. Responsibilities of Registrar. The recitals of fact in the Bonds shall be taken as statements of the Issuer, and the Registrar shall not be responsible for their accuracy. The Registrar shall not be deemed to make any representation as to, and shall not incur any liability on account of, the validity of the execution of any Series 2013 Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication and Registration on the Series 2013 Bonds. The Registrar and any successor thereto shall agree to perform all the duties and responsibilities spelled out in this Ordinance and any other duties and responsibilities incident thereto, all as provided by said agreement described in Section 8.01.

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

Section 8.04. Compensation and Expenses. The Issuer shall pay to the Registrar from time to time reasonable compensation for all services, including the transfer of registration of Series 2013 Bonds, the first exchange of Series 2013 Bonds and the exchange of Series 2013 Bonds in the event of partial redemption, incurred in the performance of its duties hereunder.

Section 8.05. Certain Permitted Acts. The Registrar may become the owner of or may deal in Series 2013 Bonds as fully and with the same rights it would have if it were not Registrar. To the extent permitted by law, the Registrar may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or effect or aid in any reorganization growing out of the enforcement of the Series 2013 Bonds, or this Ordinance, whether or not any such committee shall represent the Holders of a majority in principal amount of the Series 2013 Bonds Outstanding.

Section 8.06. Resignation of Registrar. The Registrar may at any time resign and be discharged of its duties and obligations under this Ordinance by giving not less than 60 days' written notice to the Issuer and publishing in an Authorized Newspaper notice (or mailing such notice to each Bondholder in the event all Bonds are fully registered), specifying the date when such resignation shall take effect, within 20 days after the giving of such written notice. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Such resignation shall take effect upon the day specified in such notice unless a successor shall have been previously appointed by the Issuer or bondholders, in which event such resignation shall take effect immediately, provided that in no event shall such resignation take effect until a successor has been appointed and has accepted its duties as Registrar.

Section 8.07. Removal. The Registrar may be removed at any time by the Issuer, the applicable Bond Insurer or by the Holders of a majority in principal amount of the Series 2013 Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer, the applicable Bond Insurer or by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer, as the case may be. Copies of each such instrument shall be delivered by the Issuer to the Registrar. Such removal shall take effect upon the date stated in such instrument, provided that in no event shall such removal take effect until a successor has been appointed and has accepted its duties as Registrar.

Section 8.08. Appointment of Successor. In case at any time the Registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Registrar or of its property shall be appointed, or if any public officer or court shall take charge or control of the Registrar or of its property or affairs, a successor may be appointed by the Holders of a majority in principal amount of the Series 2013 Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer and such successor Registrar, notification thereof being given to the predecessor Registrar. Pending such appointment, the Issuer shall forthwith appoint a Registrar to fill such vacancy until a successor Registrar shall be appointed by such Bondholders. The Issuer shall mail to each Bondholder notice of any such appointment within 20 days after the effective date of such appointment. Any successor Registrar appointed by the Issuer shall, immediately and without further act, be superseded by a Registrar appointed by such Bondholders. If in a proper case no appointment of a successor Registrar shall be made within 45 days after the Registrar shall have given to the Issuer written notice of resignation or after the occurrence of any other event requiring such appointment, the Registrar or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Any Registrar appointed under the provisions of this section shall be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance.

Section 8.09. Transfer of Rights and Property to Successor. Any predecessor Registrar or Paying Agent shall pay over, assign and deliver any monies, books and records held by it to its successor.

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

Section 8.11. Adoption of Authentication. In case any of the Series 2013 Bonds shall have been authenticated but not delivered, any successor Registrar may adopt a Certificate of Authentication and Registration executed by any predecessor Registrar and deliver such Bonds so authenticated, and, in case any Bonds shall have been prepared but not authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in its own name.

Section 8.12. Paying Agent. The West Virginia Municipal Bond Commission shall initially serve as Paying Agent. Any alternate Paying Agent must be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Series 2013 Bonds shall be and remain DTC-Eligible.

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

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

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

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

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

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 9.01. Defeasance; Discharge of Pledge of Ordinance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 2013 Bonds the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, and all other monies due hereunder have been paid, then this Ordinance and the pledges of the Gross Revenues and other monies and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Holders of the Series 2013 Bonds made

hereunder, as applicable, shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds for the payment of which either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2013 Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Bond Commission or an escrow trustee either monies in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide monies which, together with the monies, if any, deposited with the Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on said Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of said Bonds prior to the maturity thereof, on and prior to said Redemption Date. Neither securities nor monies deposited with the Bond Commission or an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on said Bonds on and prior to such maturity or Redemption Dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge.

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Ordinance. Prior to issuance of the Series 2013 Bonds, this Ordinance may be amended, modified or supplemented in any way by the Supplemental Resolution. All provisions required by the Bond Insurer, if any, shall be set forth in the Supplemental Resolution and to the extent they constitute an amendment or modification of this Ordinance, shall be controlling. Following issuance of the Series 2013 Bonds, this Ordinance and any Supplemental Resolution may, without the consent of any Bondholder or other person, be amended, modified or supplemented in any manner which, in the opinion of Bond Counsel, does not materially adversely affect the interests of the Bondholders or any Bond Insurer, provided that, in the event any of the Bonds are insured, no such amendment or modification which affects the rights of the applicable Bond Insurer for such Bonds may be made without the written consent of such Bond Insurer. Otherwise, no materially adverse amendment or modification to this Ordinance, or of any Supplemental Resolution, may be made without the written consent of the Holders of 51% in aggregate principal amount of the Series 2013 Bonds then Outstanding and affected thereby and the Bond Insurer, which must be filed with the Clerk of the Issuer before any such modification or amendment may be made. No such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Bond without the express written consent of the Holder of such Bond, nor reduce the percentage of Series 2013 Bonds required for consent to any such modification or amendment.

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

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

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

C. The amount of fully registered Series 2013 Bonds held by a person executing any instrument as a Bondholder, the date of his holding such Series 2013 Bonds and the numbers and other identification thereof, shall be confirmed by the Bond Register.

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

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

Section 10.04. Cancellation of Bonds. All Series 2013 Bonds purchased or paid shall, if surrendered to the Issuer, be canceled and delivered to the Registrar, or, if surrendered to the Registrar, be canceled by it. No such Bonds shall be deemed Outstanding under this Ordinance and no Series 2013 Bonds shall be issued in lieu thereof. All such Bonds shall be canceled and upon order of the Issuer shall be destroyed, and a certificate evidencing such destruction shall be delivered to the Issuer.

Section 10.05. Failure to Present Bonds. Anything in this Ordinance to the contrary notwithstanding, any monies held by the Bond Commission or a Paying Agent in trust for the payment and discharge of any of the Series 2013 Bonds which remain unclaimed for two years after the date on which such Bonds have become due and payable, whether by maturity or upon call for redemption, shall

at the written request of the Issuer be paid by the Bond Commission or said Paying Agent to the Issuer as its absolute property and free from trust, and the Bond Commission or said Paying Agent shall thereupon be released and discharged with respect thereto, and the Holders of such Bonds shall look only to the Issuer for the payment of such Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Bond Commission, or said Paying Agent shall send to the Holder, at the address listed on the Bond Register, by certified mail, a notice that such monies remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of such notice is mailed, the balance of such monies then unclaimed will be returned to the Issuer.

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

ISSUER
The City of Wheeling
1500 Chapline Street
Wheeling, West Virginia 26003
Attention: Mayor

REGISTRAR
[Name(s) and address(s) to be set forth in Supplemental Resolution]

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

DEPOSITORY BANK
[Name(s) and address(s) to be set forth in Supplemental Resolution]

ORIGINAL PURCHASER
[Name(s) and address(s) to be set forth in Supplemental Resolution]

BOND INSURER
[Name(s) and address(es) to be set forth in the Supplemental Resolution]

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

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

Section 10.08. Law Applicable. The laws of the State shall govern the construction of this Ordinance and of all Series 2013 Bonds issued hereunder.

Section 10.09. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Issuer, the Registrar, the Paying Agent, the Holders of the Series 2013 Bonds, the applicable Bond Insurer, if any, and the Original Purchaser, any right, remedy or claim under or by reason of this Ordinance. All the covenants, stipulations, promises and agreements contained in this Ordinance by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Registrar, the Paying Agent, the Holders of the Series 2013 Bonds, the Bond Insurer and the Original Purchaser.

Section 10.10. Reserved

Section 10.11. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Ordinance.

Section 10.12. Table of Contents and Headlines. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 10.13. Conflicting Provisions Repealed. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, provided however, that the Prior Ordinances shall remain in full force and effect so long as any of the Prior Bonds are Outstanding.

Section 10.14. Procedure on Enactment of Ordinance; Public Hearing. Upon adoption of this Ordinance, the Clerk is hereby authorized and directed to have an abstract of this Ordinance, which abstract has been determined by the Council of the Issuer to contain sufficient information to give notice of the contents of such Ordinance, published once each week for 2 successive weeks, with not less than six full days between each publication, the first such publication to be not less than 10 days before the date stated below for the public hearing, in *The Intelligencer*, a newspaper published and having a general circulation in The City of Wheeling, together with a notice to all persons concerned, stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2013 Bonds described in this Ordinance and that any person interested may appear before the Council at the public hearing to be had at a public meeting of Council on the 2nd day of April, 2013, at 7:00 p.m., in the Council Chambers of the City Hall, Wheeling and present protests, and that a certified copy of this Ordinance is on file with the City Clerk for review by interested parties during the office hours of the City Clerk. At such hearing all protests and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises.

[Remainder of Page Intentionally Blank]

This Ordinance shall become effective following public hearing hereon in accordance with the Act.

First Reading:	March 19, 2013
Second Reading:	April 2, 2013
Effective following Public Hearing held on:	April 16, 2013

[SEAL]

_____
Mayor

ATTEST:

_____
City Clerk

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the City Council of THE CITY OF WHEELING at a regular meeting of the City Council held on April 16, 2013, pursuant to proper notice, at which meeting a quorum was present and acting throughout, and which Ordinance was enacted following a public hearing thereon, notice of which public hearing was published once a week for two successive weeks in a newspaper having a general circulation in the City of Wheeling, the first publication having been not less than 10 days prior to such public hearing as supplemented by Supplemental Resolution duly adopted on _____, 2013.

Dated: _____, 2013.

[SEAL]

_____
City Clerk

EXHIBIT A - SERIES 2013 BOND FORM

[DTC Legend]

No. AR-_____ $_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
_____%	_____	_____	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING (West Virginia), a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the Issuer shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on _____ 1 and _____ 1, in each year, beginning _____ 1, 20__ (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter-described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $_____ designated "The City of Wheeling Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)" (the "Series 2013 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 2013, upon original issuance, the proceeds of which are to be used, together with other funds of the Issuer, (i) to finance the cost of acquisition and construction of certain additions, betterments and improvements to the waterworks portion of the combined waterworks and sewerage system of the Issuer, (ii) to fund a reserve account for the Series 2013 Bonds, and (iii) to pay certain costs of issuance of the Series 2013 Bonds and related costs. The Series 2013 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance duly enacted by the City Council of the Issuer on _____, 2013, and supplemented by a supplemental resolution adopted by said Council on _____, 2013 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2013 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Series 2013 Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

[The Series 2013 Bonds are additionally secured, but only to the extent described in the Statement of Insurance printed on the Bonds, by a policy of municipal bond insurance issued by [Bond Insurer].]

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED DECEMBER 14, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $8,356,000 (THE "SERIES 2010 B BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

The Series 2013 Bonds are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

(A) Optional Redemption. The Bonds maturing on and after _____, 20____, are subject to redemption prior to maturity at the option of the Issuer on or after _____, 20_____, in whole at any time and in part on any Interest Payment Date, as directed by the Issuer, in reverse order of maturity and by lot within a maturity, at the following Redemption Prices (expressed as percentages of the principal amount of Bonds to be redeemed), plus interest accrued thereon to the date fixed for redemption:

Period During Which Redeemed (Dates Inclusive)	Redemption Price

(B) Mandatory Sinking Fund Redemption. The Bonds maturing on _____, 20_____ and 20_____ are subject to annual mandatory sinking fund redemption prior to maturity by random selection as may be determined by the Registrar, on _____ 1 of the years and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Bonds Maturing _____ 1, 20

_____	Year (1)	Principal Amount

Bonds Maturing _____ 1, 20

_____	Year (1)	Principal Amount

* Final Maturity

In the event of any redemption of less than all outstanding Series 2013 Bonds, the maturities to be redeemed shall be selected by the Paying Agent at the direction of the Issuer and Series 2013 Bonds to be redeemed shall be determined by lot within a maturity, or in such other manner deemed appropriate by

the Paying Agent. If less than all the Series 2013 Bonds are to be redeemed, the Series 2013 Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Series 2013 Bond, unless waived, shall be given by the Paying Agent on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 2013 Bond or Series 2013 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Paying Agent. Such notice shall also be given by the Paying Agent to the Registrar. Notice of redemption having been given as aforesaid, the Series 2013 Bonds or portions of Series 2013 Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Series 2013 Bonds or portions of Series 2013 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 2013 Bond.

The Series 2013 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity in all respects with the pledge of the Gross Revenues created in favor of the holders of the Prior Bonds, all monies in the Series 2013 Bonds Sinking Fund, and the Series 2013 Bonds Reserve Account therein, established under the Ordinance, and the unexpended proceeds of the Series 2013 Bonds, and the Issuer hereby and in the Ordinance pledges such revenues and monies to such payment. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 2013 Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the monies in the Series 2013 Bonds Sinking Fund and the Series 2013 Bonds Reserve Account and said unexpended Series 2013 Bond proceeds. Pursuant to the Ordinance, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Series 2013 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2013 Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2013 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 2013 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All monies received from the sale of the Bonds except for accrued interest thereon shall be applied solely to pay all costs of the Project, funding a reserve account for the Series 2013 Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such monies, until so applied, in favor of the registered owners of said Series 2013 Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2013 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 Series 2013 Bond, together with all other obligations of said Issuer, does not

exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Series 2013 Bonds of which this Series 2013 Bond is one.

This Series 2013 Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Series 2013 Bond and the income therefrom are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

This Series 2013 Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Series 2013 Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2013 Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING (West Virginia) has caused this Bond to be signed by its Mayor and Clerk, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Series 2013 Bond to be dated as of the Series 2013 Bond Date specified above.

[SEAL]

[Manual or facsimile signature]
Mayor

ATTEST:

[Manual or facsimile signature]
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2013 Bond is one of the fully registered Series 2013 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Series 2013 Bonds.

Dated: _____, 2013.

_____,
As Registrar

By _____
Its Authorized Officer

STATEMENT OF INSURANCE

[Bond Insurance Legend]

(FORM OF)
ASSIGNMENT

Social Security or Other Identifying Number of Assignee

_____

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

Dated: _____, 20___.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

SUPPLEMENTAL PARAMETERS RESOLUTION

SUPPLEMENTAL RESOLUTION AUTHORIZING AND APPROVING CERTAIN PARAMETERS AS TO DATES, AMOUNTS, MATURITIES, INTEREST RATES, REDEMPTION PROVISIONS, PURCHASE PRICE AND OTHER DETAILS AS TO THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX-EXEMPT) OF THE CITY OF WHEELING; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT, A REGISTRAR AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT; AN OFFICIAL STATEMENT, A CERTIFICATE OF DETERMINATIONS AND OTHER INSTRUMENTS RELATING TO 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 Wheeling (the "Issuer" or "Governmental Agency") has duly and officially adopted and enacted a bond ordinance, effective April 16, 2013 (the "Bond Ordinance"), entitled:

AN ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE WATERWORKS PORTION OF THE EXISTING COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $49,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013 (TAX EXEMPT); PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS RELATING TO THE BONDS; AND ENACTING OTHER PROVISIONS WITH RESPECT TO SUCH BONDS.

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

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

WHEREAS, the Ordinance provided for the issuance by the Issuer of its Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax-Exempt), in the aggregate principal

amount of not more than $49,500,000 (the "Series 2013 Bonds"), for the purposes of paying a portion of the costs of acquisition and construction of additions, betterments and improvements to the System capitalizing interest on the Series 2013 Bonds, funding a reserve account for the Series 2013 Bonds and paying costs of issuance thereof, all in accordance with Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act");

WHEREAS, the Ordinance further provided that the exact dates, amounts, maturities, interest rates, redemption provisions, purchase price and other terms of the Series 2013 Bonds should be established by a supplemental resolution, that a Registrar, Paying Agent and Depository Bank be designated, that a Bond Purchase Agreement, a Continuing Disclosure Agreement, a Registrar Agreement, a Preliminary Official Statement and an Official Statement be approved and that other matters pertaining to the Series 2013 Bonds be provided for by a supplemental resolution of the Governing Body, that additional covenants and provisions relating to the Bonds be provided therein, and that other matters pertaining to the Series 2013 Bonds be provided for by a supplemental resolution of this Governing Body and a certificate of determinations executed by the Mayor and the City Manager;

WHEREAS, the Series 2013 Bonds are proposed to be purchased by Piper Jaffray and Co. (the "Original Purchaser"), pursuant to a Bond Purchase Agreement between the Original Purchaser and the Issuer, to be dated the date of execution thereof and in general form attached hereto and incorporated herein by reference (the "Bond Purchase Agreement");

WHEREAS, the Governing Body wishes to delegate to the Mayor and City Manager the authority to approve, within the parameters set forth herein and in the Ordinance, the final terms of the Bonds and all provisions of all documents relating to the Series 2013 Bonds (the "Bond Documents"), without the requirement of further official action by this Governing Body; and

WHEREAS, the Governing Body deems it essential and desirable that this Supplemental Resolution be adopted, that the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Registrar Agreement hereinafter provided for be entered into by the Issuer, that the Preliminary Official Statement and Official Statement relating to the Series 2013 Bonds, hereinafter described, be approved, that the Issuer's Mayor and City Manager be authorized to execute the Certificate of Determinations and enter into the Bond Purchase Agreement, all within the parameters hereby approved by the Governing Body, and that other matters relating to the Series 2013 Bonds be herein provided for, all in accordance with said Ordinance.

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

Section 1. Pursuant to the Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Series 2013 Bonds. The Series 2013 Bonds shall be issued in the aggregate principal amount not to exceed $42,000,000, bear interest at a true interest rate not to exceed 5.0% payable semiannually, shall mature in not more than 30 years from the date of issue, shall be dated such date, upon original issuance, shall mature in such principal amounts on such dates, and shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor and City Manager pursuant to their execution of the Certificate of Determinations and the Series 2013 Bonds shall be substantially in the form set forth in the Ordinance, provided however, that the specific terms of the Series 2013 Bonds shall be as determined by the Mayor and City Manager at the

time of the execution of the Bond Purchase Agreement and as approved by the Mayor and City Manager in the Certificate of Determinations attached hereto as EXHIBIT A. All other provisions relating to the Series 2013 Bonds shall be as provided in the Ordinance.

Section 2. The Bond Purchase Agreement by and between the Original Purchaser and the Issuer, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved, and directed. The Mayor and City Manager shall execute the Bond Purchase Agreement on behalf of the Issuer with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Bond Purchase Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Series 2013 Bonds, including the payment of all necessary fees and expenses in connection therewith.

Section 3. The Continuing Disclosure Agreement by and between the Issuer and the Original Purchaser, to be dated as of the date of delivery of the Series 2013 Bonds, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Mayor and City Manager thereof shall be and the same are hereby authorized, approved and directed. The Mayor and City Manager shall execute and deliver the Continuing Disclosure Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Continuing Disclosure Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section. WesBanco Bank, Inc. is hereby appointed as dissemination agent under the Continuing Disclosure Agreement.

Section 4. The Preliminary Official Statement to be substantially in the form attached hereto (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Mayor and City Manager), and the distribution of counterparts or copies thereof by the Original Purchaser are hereby approved. The Mayor and City Manager shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Official Statement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section. The certificate of the Issuer relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Mayor and City Manager is hereby ratified and approved.

Section 5. The Registrar Agreement by and between the Issuer and the Registrar designated herein, to be dated as of the date of delivery of the Series 2013 Bonds, substantially in the form submitted to this meeting, shall be and the same is hereby approved. The Mayor and City Manager shall execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager. The execution of the Registrar Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

Section 6. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Series 2013 Bonds.

Section 7. The Issuer does hereby appoint and designate WesBanco Bank, Inc., Wheeling, West Virginia for the purpose of serving in the capacity of Registrar.

Section 8. The Issuer does hereby appoint and designate WesBanco Bank, Inc., Wheeling, West Virginia as the Depository Bank.

Section 9. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission for the purpose of serving in the capacity of Paying Agent.

Section 10. The notice addresses for the Registrar, Paying Agent and Original Purchaser shall be as follows:

REGISTRAR

WesBanco Bank, Inc.
One Bank Plaza
Wheeling, West Virginia 26003
Attention: Corporate Trust Department

PAYING AGENT

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 117
Charleston, West Virginia 25302
Attention: Executive Director

ORIGINAL PURCHASER

Piper Jaffray & Co.
405 Capitol Street
Charleston, West Virginia 25301
Attention: Public Finance

Section 11. The City Manager, Mayor and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates, including a tax and arbitrage certificate, required or desirable in connection with the Series 2013 Bonds issue to the end that the Series 2013 Bonds may be delivered as provided in the Bond Purchase Agreement.

Section 12. The financing of the project with proceeds of the Series 2013 Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 13. This Supplemental Resolution shall be effective immediately.

Adopted this 7th day of May, 2013.

THE CITY OF WHEELING

By: _____
Its: Mayor

[SEAL]

By: _____
Its: City Manager

Attest:

_____
City Clerk

CERTIFICATION

Certified a true, correct and complete copy of a Supplemental Resolution duly adopted by the Council of THE CITY OF WHEELING on the 7th day of May, 2013.

Dated: _____, 2013.

[SEAL]

_____
City Clerk

964250.00061

5891661

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

The City of Wheeling
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013

CERTIFICATE OF DETERMINATIONS

The undersigned, Andrew McKenzie, Mayor and the undersigned, Robert Herron, City Manager of The City of Wheeling (the "Issuer"), in accordance with the Supplemental Parameters Resolution adopted by the Council of the Issuer on May 7, 2013 (the "Supplemental Parameters Resolution"), with respect to the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Series 2013 Bonds"), hereby finds and determines this _____ day of May, 2013 as follows:

1. The Series 2013 Bonds shall be dated the date of closing thereon (estimated to be _____ _____, 2013) and shall bear interest on _____ and _____ of each year commencing _____, 2013.

2. The Series 2013 Bonds shall be issued in the aggregate principal amount of $____ _____, at a true interest cost of ___%. Such interest rates do not exceed _____%, being the maximum interest rate authorized by the Supplemental Parameters Resolution.

3. The Series 2013 Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. The Series 2013 Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein.

5. The Series 2013 Bonds shall be subject to optional and mandatory redemption as set forth on Schedule 2 attached hereto and incorporated herein.

6. The Series 2013 Bonds shall be sold to Piper Jaffray & Co., (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Issuer, at an aggregate purchase price of $_____ (representing par value less an Underwriter's discount of $_____ and a net original issue discount of $_____).

7. The forms of the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Registrar Agreement and Official Statement attached hereto are hereby approved.

The undersigned hereby certifies that the foregoing terms and conditions of the Series 2013 Bonds are within the parameters prescribed by the Supplemental Parameters Resolution, and the Series 2013 Bonds may be issued with such terms and conditions as authorized by the Supplemental Parameters Resolution.

WITNESS our signatures the day and year first written above.

THE CITY OF WHEELING

By: _____
Its: Mayor

By: _____
Its: City Manager

Schedule 1

SERIES 2013 BOND TERMS

Mandatory Sinking Fund Redemption and Maturity

Bond No.	Maturity Date or Sinking Fund (_____1)	Principal Amount	Interest Rate	Price or Yield	CUSIP No.
AR-1	_____1	$_____	_____%	_____%	_____

Schedule 2

Redemption Provisions:

Optional Redemption

The Series 2013 Bonds maturing on or after _____, 20___, are subject to redemption on or after _____, 20___, at the option of the Governing Body, in whole at any time or in part on any interest payment date, from any moneys available for such purpose, at the applicable Redemption Price (expressed as a percentage of principal amount to be so redeemed) set forth in the table below, plus interest, if any, accrued to the date fixed for redemption:

Redemption Period	**Redemption Price**
_____, 20___ and thereafter	100%

In the event of such optional redemption, the Governing Body may direct the maturity or maturities of the Bonds and the amounts thereof to be redeemed, provided that the Bonds will be redeemed in whole multiples of $5,000 in principal amount and in the minimum principal amount of $50,000.

APPENDIX G

Form of Continuing Disclosure Agreement

This Continuing Disclosure Agreement (the "Agreement") is by and between the City of Wheeling, West Virginia (the "Issuer"), and WesBanco Bank, Inc. (the "Dissemination Agent"), in connection with the issuance of $38,255,000 The City of Wheeling, West Virginia Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Bonds"). The Bonds are being issued pursuant to the Ordinance enacted by the City Council of the City on April 16, 2013 (the "Original Ordinance"), as supplemented by a supplemental parameters resolution adopted by the Council of the City on May 7, 2013 (the "Supplemental Resolution" and collectively with the Ordinance, hereinafter the "Ordinance"). The Issuer and Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of Agreement. The Agreement is being executed and delivered by the Issuer and Dissemination Agent for the benefit of the holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with SEC Rule 15c2-l2(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance and the Bond Purchase Agreement dated May 15, 2013, which apply to any capitalized term used in the Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean the financial information (which shall be based on financial statements prepared in accordance with generally accepted accounting principles ("GAAP")) and operating data with respect to the Issuer, provided at least annually, of the type included in those sections of the final official statement with respect to the Bonds attached thereto as Appendix C, which Annual Financial Information shall include Audited Financial Statements if available on the Report Date, and, if not then available, unaudited financial statements.

"Audited Financial Statements" shall mean the Issuer's annual financial statements, prepared in accordance with GAAP, which financial statements shall have been audited by a firm of independent certified public accountants.

"Beneficial Owner" shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Disclosure Representative" shall mean the current Mayor, City Manager, Utility Manager or Finance Director of the Issuer.

"Dissemination Agent" shall initially mean WesBanco Bank, Inc., or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access System described in the 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board for purposes of the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of the Agreement.

"National Repository" shall mean the Municipal Securities Rulemaking Board, Washington, D.C., the sole Nationally Recognized Municipal Securities Information Repository for purposes of the Rule, effective as of July 1, 2009.

"Participating Underwriter" shall mean the original underwriter(s) of the Bonds who are required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each National Repository.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of West Virginia.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 300 days after the end of the Issuer's fiscal year (presently June 30) (the "Due Date"), commencing with the report for the Fiscal Year ending June 30, 2013, provide to EMMA Annual Financial Information and Audited Financial Statements, which are consistent with the requirements of Section 4 of the Agreement. The Annual Financial Information and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of the Agreement. The Issuer shall provide the Dissemination Agent with a copy of each report filed under the Agreement. If the Issuer's fiscal year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 5(a). The Dissemination Agent shall send written notice to the Issuer thirty (30) days prior to the Due Date of the Annual Financial Information and Audited Financial Statements that such information is due by the Due Date.

(b) Not later than fifteen (15) Business Days prior to the Due Date, the Issuer shall provide the Annual Financial Information and Audited Financial Statements to the Dissemination Agent. If by the Due Date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer to determine if the Issuer is in compliance with the first sentence of this subsection (b). If the Dissemination Agent is unable

to provide to EMMA its Annual Financial Information and Audited Financial Statements by the date required in subsection (a), the Dissemination Agent shall send a notice to EMMA in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall file a report with the Issuer certifying that the Annual Financial Information and Audited Financial Statements have been provided to EMMA pursuant to the Agreement and the date provided.

SECTION 4. Content of Annual Financial Information. Within 300 days of the Issuer's 2013 fiscal year-end, and each subsequent fiscal year, the Dissemination Agent shall submit to EMMA information and data of the Issuer for the prior fiscal year, including the Audited Financial Statements, prepared in accordance with generally accepted accounting principles in effect from time to time.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events in a timely manner, not in excess of 10 business days, following the occurrence of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

7. Modifications to rights of security holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership, or similar event of the Issuer[1];

13. The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action; or the termination of a definitive agreement relating to any such actions, other than pursuant to its term, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Dissemination Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Disclosure Representative, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws, in any event such determination must be made and submitted to the Dissemination Agent within two (2) business days.

(d) If the Issuer determines that knowledge of the occurrence of any of the Listed Events, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would be material under applicable federal securities laws pursuant to subsection (b) or the Issuer received notice of any Listed Event that does not require a finding of materiality classified under Section 5(a) (1), (3), (4), (5), (6), (9), (11) or (12), the Issuer shall promptly file with the Dissemination Agent a notice of such occurrence to be provided to EMMA.

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1 For the purposes of the event identified in Section 5(a)(12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(e) If in response to a request under subsection (b), the Issuer determines that the Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would not be material under applicable federal securities laws, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with EMMA with a copy to the Issuer. The Dissemination Agent must file such notice with EMMA within ten (10) business days of the occurrence of such Listed Event.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under the Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for any of the Listed Events under Section 5(a).

SECTION 7. Dissemination Agent. WesBanco Bank, Inc., is hereby appointed as Dissemination Agent. The Issuer may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist it in carrying out its obligations under the Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to the Agreement.

SECTION 8. Amendment, Waiver. Notwithstanding any other provision of the Agreement, the Issuer may amend the Agreement, and any provision of the Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Ordinance for amendments to the Ordinance with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of the Agreement, the Issuer shall describe such amendment in the next Annual Financial Information and Audited Financial Statements, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for any of the Listed Events under Section 5(a), and (ii) the Annual Financial Information and Audited Financial Statements for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in the Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in the Agreement or any other means of communication, or including any other information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events, in addition to that which is required by the Agreement. If the Issuer chooses to include any information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events in addition to that which is specifically required by the Agreement, the Issuer shall have no obligation under the Agreement to update such information or include it in any future Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events.

SECTION 10. Default. In the event of a failure of the Issuer or Dissemination Agent to comply with any provision of the Agreement (and, at the request of the Original Purchasers), the Dissemination Agent may or any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer or Dissemination Agent to comply with its obligations under the Agreement. A default under the Agreement shall not be deemed an Event of Default under the Ordinance, and the sole remedy under the Agreement in the event of any failure of the Issuer or Dissemination Agent to comply with the Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in the Agreement, and the Issuer agrees to the extent allowed by State law to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Notices. Any notices or communications to or among any of the parties to the Agreement may be given as follows:

To the Issuer:	City of Wheeling, West Virginia City County Building 1500 Chapline Street Wheeling, WV 26003
To the Dissemination Agent:	WesBanco Bank, Inc. ATTN: Corporate Trust 1 Bank Plaza Wheeling, WV 26003

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 13. Beneficiaries. The Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Counterparts. The Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15. Fees. The Issuer agrees to pay all fees and expenses of the Dissemination Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Dissemination Agent's duties.

SECTION 16. Right to Resign. The Dissemination Agent may resign at any time by providing thirty (30) days' written notice to the Issuer.

SECTION 17. Right to Counsel. The Dissemination Agent shall have the right to consult with counsel in carrying out its duties under the Agreement and to rely upon an opinion of counsel.

Date: _____, 2013

THE CITY OF WHEELING, WEST VIRGINIA

By: _____
Its: Mayor

WESBANCO BANK, INC.,
as Dissemination Agent

By: _____
Its: _____

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: The City of Wheeling (West Virginia)

Name of Issue: $38,255,000 The City of Wheeling, West Virginia Combined Waterworks and Sewerage System Revenue Bonds, Series 2013

Date of Issuance: _____, 2013

Notice is hereby given that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by its covenant made in connection with the above-referenced bond issue. The Issuer anticipates that the Annual Report will be filed by _____.

Dated this _____.

THE CITY OF WHEELING, WEST VIRGINIA

By: _____
Its: Mayor

By: _____
Its: City Manager

THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

BOND PURCHASE AGREEMENT

May 15, 2013

The City of Wheeling, West Virginia
City County Building
1500 Chapline Street
Wheeling, West Virginia 26003

Ladies and Gentlemen:

Piper Jaffray & Co. (the "Underwriter") hereby offers to enter into this Bond Purchase Agreement with The City of Wheeling, West Virginia (the "City" or "Issuer") for the purchase by the Underwriter and the sale by the City of its above-referenced Bonds (the "Bonds" or "Securities"). This offer is made subject to acceptance thereof by the City prior to 10:00 p.m., prevailing time in New York, New York, on the date hereof (the "Acceptance Deadline"), and upon such acceptance, evidenced by the signature of a duly authorized officer of the City, this Bond Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the City and the Underwriter.

1. Defined Terms. Terms used herein and not otherwise defined shall have the meanings set forth in the Ordinance.

Acceptance Deadline: The date set forth in first paragraph, being the date and time by which the City must accept this Agreement.

Accountants: Bodkin, Wilson & Kozicki PLLC, which has conducted and prepared the audited financial statements of the City included in the Preliminary Official Statement and the Official Statement.

Act: Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended.

Agreement: This Bond Purchase Agreement dated the Effective Date, including **Schedule I** attached hereto.

Bond Counsel: Steptoe & Johnson PLLC, Charleston, West Virginia.

Closing Date: May 30, 2013, being the date of the issuance and delivery of the Securities.

Continuing Disclosure Agreement: The Continuing Disclosure Agreement, dated as of the Closing Date, by and between the City and WesBanco Bank Inc., as disclosure agent, with respect to the Securities in accordance with Rule 15c2-12.

Creditors' Rights Laws: Limitations on enforceability as may result from bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally from time to time in effect and from the application of general principles of equity and from public policy limitations on the exercise of any rights to indemnification and contribution.

DTC: The Depository Trust Company.

Effective Date and Time: The date and time upon which the City has accepted this Agreement as set forth on the signature page is the date and time on which this Agreement is effective.

End of the Underwriting Period: The later of (i) the Closing Date or (ii) when the Underwriter no longer retains an unsold balance of the Securities.

Exchange Act: The Securities Exchange Act of 1934, as amended.

Excluded Sections: For purposes of the representations and warranties of the City set forth in Section 8(i) and the opinions of Issuer's Counsel required pursuant to Section 14, the "Excluded Sections" of the Preliminary Official Statement and the Official Statement shall be: (i) the section describing DTC and its book-entry-only procedures, (ii) the section captioned "Tax Matters", (iii) with respect to Issuer's Counsel the section entitled "Continuing Disclosure", (iv) the section captioned "Underwriting", (v) with respect to Issuer's Counsel, the material included in Appendix A, and (vi) the material included in Appendix D captioned "Proposed Form of Bond Counsel Opinion".

Issuer or City: The City of Wheeling, West Virginia.

Issuer Documents: All financing documents to which the City is a party relating to the issuance of and security for the Securities, as such documents are amended and supplemented to the Closing Date, including, but not limited to:

(i) this Agreement,
(ii) the Ordinance,
(iii) the Continuing Disclosure Agreement,
(iv) the Tax and Non-Arbitrage Certificate of the City and
(v) other applicable financing or operative documents to which the City is a party, as such documents are amended and supplemented to the Closing Date.

Issuer's Counsel: Rose Humway-Warmuth, Esq., Wheeling, West Virginia.

MSRB: Municipal Securities Rulemaking Board.

Municipal Advisor: As defined in the Exchange Act §15B(e)(4) and the rules and regulations of the SEC and MSRB adopted thereunder.

Official Statement: The Official Statement dated May 15, 2013, relating to the Securities, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Ordinance: The Bond Ordinance enacted by the Council of the City on April 16, 2013, as supplemented by a supplemental parameters resolution adopted by the Council of the City on May 7, 2013.

Paying Agent: West Virginia Municipal Bond Commission, Charleston, West Virginia.

Preliminary Official Statement: The Preliminary Official Statement dated May 8, 2013, relating to the Securities, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Primary Offering Disclosure Period: The period commencing with the first submission to an Underwriter of an order for the purchase of the Securities or the purchase of such Securities from the City, whichever first occurs, and ending 25 days after the final delivery by the City or its agent of all Securities to or through the underwriting syndicate.

Prior Bonds: The City's (i) Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005; (ii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006; (iii) Series 2010 A Bonds; and (iv) Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated December 14, 2010.

Purchase Price: The amount specified in Section 4 as the Purchase Price to be paid by the Underwriter at the Closing for the purchase of the Securities on the Closing Date.

Registrar: WesBanco Bank Inc., Wheeling, West Virginia, which has been appointed as Registrar for the Securities pursuant to the Ordinance.

Rule 15c2-12: Rule 15c2-12 promulgated by the SEC under the Exchange Act.

SEC: The Securities and Exchange Commission of the United States.

Securities or Bonds: The Bonds identified in the first paragraph of this Agreement, as more specifically described in **Schedule I**.

Securities Act: The Securities Act of 1933, as amended.

Series 2010 A Bonds: The City's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2010 A, dated May 6, 2010.

State: West Virginia.

Trust Indenture Act: Trust Indenture Act of 1939, as amended.

Underwriter: The firm identified as such in the first paragraph of this Agreement.

Underwriter's Counsel: Jackson Kelly PLLC, Charleston, West Virginia.

2. Offer to Purchase the Securities; Execution of Terms and Acceptance. Upon the terms and conditions and upon the basis of the representations and warranties herein set forth, the Underwriter hereby offers to purchase from the City all (but not less than all) of the Securities, as more particularly described in **Schedule I**. This offer is subject to acceptance by the City by the Acceptance Deadline and, if not so accepted, will be subject to withdrawal by the Underwriter by written notice delivered to the City at any time prior to acceptance. The City shall accept this Agreement by its execution hereof. Upon such execution, the Agreement will be binding upon the Underwriter and the City. This Agreement is effective as of the Effective Date and Time.

3. Purchase of the Securities. The Underwriter shall purchase from the City, and the City shall sell to the Underwriter, all (but not less than all) of the Securities on the Closing Date at the aggregate Purchase Price set forth below, plus accrued interest, if any. The Securities shall bear interest at the rates per annum, mature on the dates, be sold to the public at the prices and be subject to mandatory sinking fund redemption prior to maturity and to such other terms and provisions, all as set forth in **Schedule I**. The Securities otherwise shall be as described in the Official Statement, the Ordinance and the Issuer Documents. The Underwriter's agreement to purchase the Securities from the City shall be the obligation of the Underwriter and is made in reliance upon the City's representations, covenants and warranties and on the terms and conditions set forth in this Agreement.

The City acknowledges and agrees that: (i) the primary role of the Underwriter is to purchase securities for resale to investors in an arms-length commercial transaction between the City and the Underwriter, (ii) the Underwriter has financial and other interests that differ from those of the City, (iii) the Underwriter is not acting as a Municipal Advisor, financial advisor or fiduciary to the City or any other person or entity and has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on other matters), (iv) the only obligations of the Underwriter to the City with respect to the transaction contemplated hereby are expressly as set forth in this Agreement and (v) the City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

4. Purchase Price. The Purchase Price of the Securities is $38,977,085.30 (representing the principal amount of the Securities of $38,255,000, less an Underwriter's discount of $344,295, and plus net original issue premium of $1,066,380.30). The Purchase Price shall be payable on the Closing Date by the Underwriter by wire transfer in immediately

available funds to the order of WesBanco Bank Inc. and the debt service reserve fund amount to the West Virginia Municipal Bond Commission.

5. Public Offering. The Underwriter agrees to make a bona fide initial public offering of all the Securities in compliance with federal and state securities laws, at a price not in excess of the initial offering price set forth in the Official Statement. The Underwriter may change the initial offering price or prices as they deem necessary in connection with the offering of the Securities without any requirement of prior notice, and may offer and sell the Securities to certain institutions at prices lower than those stated in the Official Statement. Upon the request of Bond Counsel, the Underwriter shall execute and deliver prior to the Closing an issue price certificate or similar certificate in form and substance reasonably satisfactory to Bond Counsel and the Underwriter.

6. Good Faith Deposit. No Good Faith Deposit will be delivered.

7. Official Statement.

(a) The City hereby consents to and ratifies the use and distribution by the Underwriter of the Preliminary Official Statement in connection with the public offering of the Securities by the Underwriter, and further confirms the authority of the Underwriter to use, and consents to the use of, the final Official Statement with respect to the Securities in connection with the public offering and sale of the Securities. The City hereby represents and warrants that the Preliminary Official Statement previously furnished to the Underwriter was "deemed final" by the City as of its date for purposes of Rule 15c2-12, except for permitted omissions.

(b) The City hereby consents to and ratifies the use and distribution by the Underwriter of the Official Statement in connection with the public offering and sale of the Securities by the Underwriter.

(c) The City, at its cost, shall provide, or cause to be provided, to the Underwriter within seven business days after the date of this Agreement (or within such shorter period as may be approved by the Underwriter or required by applicable rule) such number of copies of a final Official Statement as reasonably requested by the Underwriter, but in sufficient quantity to permit the Underwriter to comply with paragraph (b)(4) of Rule 15c2-12, and Rule G-32 and any other applicable rules of the SEC and the MSRB.

(d) The City authorizes the Underwriter to file, to the extent required by any applicable SEC or MSRB rule, and the Underwriter agrees to so file, the Official Statement with the MSRB or its designee. If an amended Official Statement is prepared during the "primary offering disclosure period," and if required by any applicable SEC or MSRB rule, the Underwriter also shall make the required filings of the amended Official Statement. The City shall provide the Underwriter with the information necessary to complete MSRB Form G-32 for all filings to be made under this Section 7.

(e) The Preliminary Official Statement and the Official Statement may be delivered in printed and a "designated electronic format" as defined in the MSRB's Rule G-32 and as may be agreed by the City and the Underwriter. If the Official Statement has been prepared in electronic form, the City hereby confirms that it does not object to distribution of the Official Statement in electronic form.

(f) The City shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter. The City covenants to notify the Underwriter promptly if, on or prior to the 25th day after the End of the Underwriting Period, (or such other period as may be agreed to by the City and the Underwriter) any event shall occur, or information comes to the attention of the City, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and if in the opinion of the Underwriter such event requires the preparation and distribution of a supplement or amendment to the Official Statement, to prepare and furnish to the Underwriter, at the City's expense, such number of copies of the supplement or amendment to the Official Statement, in (i) a "designated electronic format" consistent with the requirements of the MSRB's Rule G-32 and (ii) a printed format in form and substance mutually agreed upon by the City and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing Date, the City also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

8. Representations and Warranties of Issuer. The City hereby agrees with, and makes the following representations and warranties to, the Underwriter, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(a) The City is duly created and existing under the constitution and laws of the State and has full legal right, power and authority under the constitution and laws of the State, including the Act, to enact the Ordinance, to execute and deliver the Issuer Documents and the Official Statement, to issue, sell and deliver the Securities as provided herein, and to carry out and to consummate the transactions contemplated by the Ordinance, the Issuer Documents and the Official Statement.

(b) By all necessary official action of the City prior to or concurrently with the acceptance hereof, the City has duly authorized and approved (A) the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement for use by the Underwriter in connection with the public offering of the Securities, (B) the issuance and sale of the Securities upon the terms set forth herein and as contemplated by the Ordinance, the Issuer Documents and the Official Statement and (C) the execution and delivery of, and the performance by the City of

the obligations on its part contained in, the Securities, the Ordinance and the Issuer Documents.

(c) The Securities will be issued in conformity with and shall be entitled to the benefit and security of the Ordinance and the Issuer Documents. When delivered to and paid for by the Underwriter in accordance with the terms of this Agreement, the Securities will have been duly authorized, executed, authenticated, issued and delivered and will constitute valid and binding limited obligations of the City payable from revenues and moneys pledged therefor under the Ordinance and will be entitled to the benefit of the Ordinance.

(d) This Agreement constitutes a legal, valid and binding obligation of the City enforceable in accordance with its terms; the other Issuer Documents, when duly executed and delivered, will constitute the legal, valid and binding obligations of the City enforceable in accordance with their respective terms; and the Securities, when issued, authenticated and delivered in accordance with the Issuer Documents and sold to the Underwriter as provided herein, will be the legal, valid and binding obligations of the City enforceable in accordance with their terms; in all cases, except as to the enforceability of this Agreement, the other Issuer Documents and the Securities may be limited by application of Creditors' Rights Laws.

(e) The City is not in breach of or default in any material respect under (if applicable) its enabling legislation or under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City is or any of its property or assets are otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the City under any of the foregoing.

(f) All financial statements of the City included as a part of the Preliminary Official Statement and the Official Statement (the "Financial Statements"), fairly present the financial condition of the City as of the respective dates and have been prepared when so indicated in accordance with generally accepted accounting principles consistently applied and since the respective most recent dates as of which information is given in the Preliminary Official Statement or the Official Statement, there has not been any material change in the long-term debt of the City or any material adverse change in the general affairs, management, financial position, or results of the City and no material transactions or obligations other than in the ordinary course of business have been entered into with respect to the City, except as reflected in or contemplated by the Official Statement.

(g) The enactment, adoption, execution and delivery of the Securities, Ordinance and the Issuer Documents, and compliance with the provisions on the City's part contained therein, will not conflict with or constitute a breach of or default under any

constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City or any of its property or assets are otherwise subject, and such enactment, adoption, execution, delivery or compliance will not result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature upon the assets of the City, except as provided by the Securities, the Ordinance and the Issuer Documents.

(h) All authorizations, approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect, the issuance of the Securities or the due performance by the City of its obligations under the Ordinance, the Issuer Documents and the Securities have been duly obtained or will be obtained prior to the Closing, except that the City makes no representations with respect to (A) such authorizations, approvals, consents and orders, if any, as may be required under federal or state securities laws of any jurisdiction in connection with the offering and sale of the Securities and (B) authorizations, approvals, consents and orders that are required to be obtained or renewed periodically, such as budgets, licenses and permits.

(i) The Preliminary Official Statement as of its date did not, and the Official Statement as of its date does not, and as of the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided*, that the City makes no statement as to the Excluded Sections of the Preliminary Official Statement or the Official Statement.

(j) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, agency, public board or body, pending or, to the knowledge of the City, threatened against the City: (A) affecting the existence of the City or the titles of its officers to their respective offices, (B) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Securities or the collection of local bond payments for the repayment of the Securities or the making of any other required deposits with respect to the Securities, (C) in any way contesting or affecting the validity or enforceability of, or the power or authority of the City to issue, enact, adopt or to enter into (as applicable), the Securities, the Ordinance or the Issuer Documents, (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, (E) except as disclosed in the Official Statement, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the City or would result in any material adverse change in the ability of the City to collect local bond payments for the repayment of the Securities or (F) contesting the status of the interest on the Securities as excludable from gross income for federal income tax purposes or as exempt from any applicable state tax, in each case as described in the Official Statement.

(k) The City has received all licenses, permits or other regulatory approvals required, if any, and the City is not in material default, and no event has occurred which would constitute or result in a material default, under any such licenses, permits or approvals.

(l) The City has entered or will enter into the Continuing Disclosure Agreement and, unless otherwise described in the Official Statement or set forth below, the City has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

(m) The Ordinance, the Issuer Documents and the Securities conform to the description thereof contained in the Official Statement.

The City has the legal authority to apply proceeds of the Securities for the purposes contemplated by the Ordinance and the Issuer Documents, including for the payment or reimbursement of incidental expenses in connection with the marketing, issuance and delivery of the Securities to the extent required by this Agreement and in compliance with applicable law.

9. Covenants of the City. The City hereby covenants with the Underwriter that:

(a) Prior to the Closing Date, except as otherwise contemplated by the Official Statement, the City shall not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the assets, properties, funds or interests of the City.

(b) The City shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without prior written notice to the Underwriter.

(c) The City shall promptly advise the Underwriter by written notice of any matter arising or discovered after the date of this Agreement and prior to the Closing Date that if existing or known at the date hereof would render any of the representations or warranties set forth herein to be untrue or misleading or might adversely affect the correctness or completeness of any statement of a material fact regarding the City contained in the Official Statement; or any developments that affect the accuracy and completeness of the key representations (within the meaning of Rule 15c2-12) regarding the City contained in the Official Statement.

(d) The City will undertake, pursuant to the Continuing Disclosure Agreement, to provide annual reports and notices of certain events in compliance with Rule 15c2-12. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

(e) The City shall cooperate with the Underwriter in the qualification of the Securities for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions, to the extent applicable, as the Underwriter may request; *provided*, that the City shall not be required to qualify as a foreign corporation in, or submit to the general jurisdiction of, any other state or to file any general or special consents to service of process under the laws of any jurisdiction.

(f) Unless the Securities are being issued as taxable Securities, the City shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from any applicable state tax, of the interest on the Securities.

10. Representations and Warranties of the Underwriter. The Underwriter hereby agrees with, and makes the following representations and warranties to, the City, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(a) The Underwriter is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and authorized to do business in the State.

(b) This Agreement has been duly authorized, executed and delivered by the Underwriter and, assuming the due authorization, execution and delivery by the City, is the legal, valid and binding obligation of the Underwriter enforceable in accordance with its terms, except as the enforceability of this Agreement may be limited by application of Creditors' Rights Laws.

(c) The Underwriter represents that it is licensed by and registered with the Financial Industry Regulatory Authority as a broker-dealer and the MSRB as a municipal securities dealer.

11. Third-Party Credit Enhancement or Support. No third-party credit enhancement or support facility will be provided with respect to the Securities.

12. Ratings. On the Closing Date, the Securities shall be rated "A" by Standard & Poor's Corporation.

13. Closing.

(b) The delivery of and payment for the Securities shall be the "Closing" for the Securities and shall occur at or prior to 1:00 p.m., New York City time, on the Closing Date, or at such other time or on such other date as may be mutually agreed by the Underwriter and the City.

(c) The City and the Underwriter agree that there shall be a preliminary closing held at the offices of Bond Counsel in Charleston, West Virginia, commencing at least 24

hours prior to the Closing Date, or at such other time or place as the City and the Underwriter shall agree.

(d) At the Closing, the City shall deliver or cause to be delivered the Securities to the Registrar as DTC's FAST closing agent on behalf of the Underwriter, as further described in paragraph (e) below. The Securities shall be delivered in definitive form, duly executed by the Mayor of the City, attested by the Clerk of the City and authenticated by the Registrar, together with the other documents identified in Section 14. Subject to satisfaction of the conditions contained in this Agreement, the Underwriter will accept delivery of the Securities as described above and pay the Purchase Price, plus accrued interest, if any, on the Securities from their dated date to, but not including, the Closing Date, in immediately available funds, payable to the order of the Depository Bank or as otherwise directed by the City.

(e) Delivery of the definitive Securities shall be made to the Registrar as DTC's FAST agent with respect to DTC's book-entry-only system in New York, New York, or at such other location as may be designated by the Underwriter prior to the Closing. The Securities will be delivered as fully-registered bonds, bearing CUSIP numbers, with a single bond for each maturity of each series of the Securities (or, if so provided in **Schedule I**, for each separate interest rate within a maturity), and registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Securities. Unless otherwise requested by the Underwriter, the Securities will be delivered under DTC's FAST delivery system.

(f) After execution by the City and authentication by the Registrar, the Bonds shall be held in safe custody by the Registrar or any authorized agent for the Registrar. The Registrar shall release or authorize the release of the Bonds from safe custody at the Closing upon receipt of payment for the Bonds.

14. Closing Conditions. The obligations of the Underwriter hereunder shall also be subject to the following additional conditions:

(a) At and as of the Closing Date, (i) the Official Statement, this Agreement and the Issuer Documents shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, (ii) the proceeds of the sale of the Securities shall be deposited and applied as described in the Official Statement, and (iii) the City shall have duly enacted or adopted and there shall be in full force and effect such ordinances or resolutions as, in the opinion of Bond Counsel shall be necessary in connection with the transactions contemplated hereby.

(b) Receipt of the Securities, which shall have been executed and delivered by the City and authenticated by the Registrar, and executed copies of the Issuer Documents at or prior to the Closing.

(c) On or prior to the Closing Date, the Underwriter shall receive the following documents in such number of counterparts as shall be mutually agreeable to the Underwriter and the City:

(i) The unqualified approving opinions, dated as of the Closing Date, of Bond Counsel, in the form attached as Appendix D to the Official Statement accompanied by a supplemental opinion of Bond Counsel, dated as of the Closing Date, substantially in the form attached hereto as Exhibit A;

(ii) The opinion of Issuer's Counsel, dated as of the Closing Date and addressed to the Underwriter, substantially in the form attached hereto as Exhibit B;

(iii) The opinion of Underwriter's Counsel, dated as of the Closing Date, substantially in the form attached hereto as Exhibit C;

(iv) A certificate of the City executed and delivered by the Mayor, or any other duly authorized officer, satisfactory to the Underwriter, dated as of the Closing, to the effect that: (A) the City has duly performed all of its obligations to be performed at or prior to the Closing and that each of its representations and warranties contained herein are true as of Closing, (B) it has authorized, by all necessary action the execution, delivery, receipt and due performance of the Securities, the Continuing Disclosure Agreement, the Ordinance and all other Issuer Documents as may be required to be executed, delivered and received by the City in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement, (C) to the City's knowledge, no litigation is pending or threatened, to restrain or enjoin the issuance or sale of the Securities or in any way affecting any authority for or the validity of the Securities or the Ordinance, (D) the execution, delivery, receipt and due performance of the Securities, the Issuer Documents and the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated thereby and the City's compliance with the provisions thereof will not conflict with or constitute on the part of the City a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the City is subject or by which it may be bound, (E) to the best of such officer's knowledge, no event affecting the City has occurred since the date of the Official Statement that should be disclosed in the Official Statement to make the statements and information therein not misleading in any material respect for the purposes for which it is to be used (F) the City is in compliance, unless otherwise waived, with all covenants in its outstanding ordinances which authorized bonds secured by the gross revenues of the System; and (G) the City is obligated by such Continuing Disclosure Agreement and is in full compliance with all of its prior written continuing disclosure undertakings entered into pursuant to the provisions of Rule 15c2-12(b)(5), excepting only such matters as may be described in the Continuing Disclosure section of the Official Statement;

(v) Copies of this Agreement executed by the parties thereto;

(vi) Executed copies of the Continuing Disclosure Agreement, in form and substance satisfactory to the Underwriter and Underwriter's Counsel;

(vii) The Ordinance, certified by the Clerk of the City under the seal of the City, as having been duly enacted by the City and as being in full force and effect, with only such amendments, modifications or supplements as may have been agreed to by the Underwriter;

(viii) Evidence of "A" rating from Standard & Poor's Corporation;

(ix) The executed opinion of Bond Counsel, or if such opinion shall not be addressed to the Underwriter, a reliance opinion from Bond Counsel providing that the Underwriter may rely on the opinion of Bond Counsel;

(x) An executed copy of Internal Revenue Service Form 8038-G;

(xi) Evidence that the City has adopted a formal post issuance policy sufficient to allow the City to check boxes 43 and 44 on Form 8038-G;

(xii) A certificate of the Accountants that the City has gross revenues sufficient to meet the rate coverage requirements of the Ordinance and meet the additional bonds parity test of each of the ordinances authorizing each series of the Prior Bonds;

(xiii) A certificate of the Registrar that all conditions precedent contained in the Ordinance for the issuance of the Securities have been met and the Securities are entitled to the benefit and security of the Ordinance;

(xiv) Two counterpart originals of a transcript of all proceedings relating to the authorization and issuance of the Securities;

(xv) Consent from the Accountants to use the City's audit in the Preliminary Official Statement;

(xvi) A tax and arbitrage certificate of the City, including evidence that all existing rebate calculation requirements have been met;

(xvii) A consent from the holders of the Prior Bonds to the issuance of the Securities on a parity with the Prior Bonds;

(xviii) A certificate of the consulting engineer to the effect that the City has obtained all permits and approvals necessary to complete the Project and operate the System;

(xix) Evidence of fully funded reserve funds for the Securities and the Prior Bonds;

(xx) Evidence of sufficient construction bids consistent with the plan of financing for the Project;

(xxi) A verification report regarding the defeasance of the Series 2010 A Bonds;

(xxii) An opinion of Bond Counsel that the Series 2010 A Bonds have been defeased; and

(xxiii) Such additional legal opinions, certificates, proceedings, instruments and other documents as Underwriter's Counsel or Bond Counsel may reasonably request to evidence compliance by the City with legal requirements, the truth and accuracy, as of the Closing Date, of the respective representations of the City herein contained and the due performance or satisfaction by the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the City.

If the City shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Agreement, or if the obligations of the Underwriter to purchase and accept delivery of the Securities shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriter nor the City shall be under further obligation hereunder, except that the respective obligations to pay expenses, as provided herein, shall continue in full force and effect.

15. Issue Price Certificate. The Underwriter shall execute and deliver on the Closing Date an issue price or similar certificate in form and substance reasonably satisfactory to the City, Bond Counsel and the Underwriter.

16. Termination. The Underwriter shall have the right to cancel its obligation to purchase the Securities and to terminate this Agreement by written notice to the City if, between the Effective Date to and including the Closing Date, in the Underwriter's sole and reasonable judgment any of the following events shall occur (each a "Termination Event"):

(a) the market price or marketability of the Securities, or the ability of the Underwriter to enforce contracts for the sale of the Securities, shall be materially adversely affected by any of the following events:

(i) legislation shall have been enacted by the Congress of the United States or the legislature of the State or shall have been favorably reported out of committee of either body or be pending in committee of either body, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision shall have been rendered by a court of the United States or the State or the Tax Court of the United States, or a

ruling, resolution, regulation or temporary regulation, release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority with appropriate jurisdiction, with respect to federal or state taxation upon interest received on obligations of the general character of the Securities, provided that this paragraph (a) (i) shall not apply if the Securities are being issued as taxable Securities; or

(ii) there shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere; or

(iii) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or

(iv) legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Securities, the Ordinance or the Issuer Documents, or any comparable securities of the City, are not exempt from the registration, qualification or other requirements of the Securities Act or the Trust Indenture Act or otherwise, or would be in violation of any provision of the federal securities laws; or

(v) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the City shall have occurred; or

(vi) any rating on securities of the City shall have been downgraded or placed on negative watch; or

(vii) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriter) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the City refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the

market price or marketability of the Securities or the ability of the Underwriter to enforce contracts for the sale of the Securities; or

(viii) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(ix) a material disruption in securities settlement, payment or clearance services affecting the Securities shall have occurred; or

(x) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, the Underwriter shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(xi) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Securities, including the underlying obligations as contemplated by this Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Securities, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act.

Upon the occurrence of a Termination Event and the termination of this Agreement by the Underwriter, all obligations of the City and the Underwriter under this Agreement shall terminate, without further liability, except that the City and the Underwriter shall pay their respective expenses as set forth in Section 17 of this Agreement.

17. Payment of Expenses.

(a) The Underwriter shall be under no obligation to pay, and the City shall pay from available funds or direct the Paying Agent under the Ordinance and the Issuer Documents to pay from the proceeds of the Securities (to the extent permitted under applicable law) or from other funds of the City (to the extent permitted by applicable law), all expenses that are incidental to the performance of the City's obligations under this Agreement, including but not limited to: all expenses in connection with the printing of the Preliminary Official Statement, the Official Statement and any amendment or supplement to either; all expenses in connection with the printing, issuance and delivery of the Securities; the fees and expenses of Bond Counsel and Issuer's Counsel; the fees and expenses of the City's financial advisors, Accountants, any verification consultant and all other consultants; the fees and disbursements of any Trustee, any Paying Agent and any escrow agent, and their respective counsel; all expenses in connection with obtaining a rating or ratings for the Securities; all

expenses of the City in connection with the preparation, printing, execution and delivery, and any recording or filing, of the Ordinance, any Issuer Document or any other instrument; the City's administrative fees; and all other expenses and costs of the City incident to its obligations in connection with the authorization, issuance, sale and distribution of the Securities. Unless the City and the Underwriter otherwise agree, the City shall pay for all incidental costs (including, but not limited to, transportation, lodging, meals and entertainment of Issuer personnel) incurred by or on behalf of the City in connection with the marketing, issuance and delivery of the Securities.

(b) The Underwriter shall pay the costs of qualifying the Securities for sale in the various states chosen by the Underwriter, all advertising expenses in connection with the public offering of the Securities and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Securities (the fees and expenses of Underwriter's Counsel shall be paid from the proceeds of the Securities).

18. Blue Sky Qualification. The City agrees to cooperate with the Underwriter and its counsel in any endeavor to qualify the Securities for offering and sale under securities or blue sky laws of such jurisdictions of the United States as the Underwriter may request. The City consents to the use of the Preliminary Official Statement and the Official Statement by the Underwriter in obtaining such qualification. The City shall not be required to register in any jurisdiction.

19. Notices. Any notice or other communication to be given to the City under this Agreement may be given by certified mail or by delivering the same in writing to the City at the address set forth above. Any notice or other communication to be given to the Underwriter under this Agreement may be given by certified mail or by delivering the same in writing to the Underwriter at the following address:

Piper Jaffray & Co.
405 Capital Street, Suite 613
Charleston, WV 25301
Attn: Manager of West Virginia Public Finance

Such notice addresses may be changed by providing notice to the other party pursuant to the means above described.

20. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of West Virginia. To the extent allowed by law, each of the parties hereto irrevocably waives all right to trial by jury in any action, proceeding or counterclaim arising out of this Agreement or the transactions contemplated hereby. The Underwriter acknowledges that the City cannot subject itself to the jurisdiction of courts other than courts in West Virginia.

21. Miscellaneous. This Agreement is made solely for the benefit of the signatories hereto (including the Underwriter and its successors or assigns) and no other person shall acquire

or have any right hereunder or by virtue hereof. Neither the City nor the Underwriter may assign this Agreement. The term "successor" shall not include any holder of any Securities merely by virtue of such holding. All representations, warranties, agreements and indemnities contained in this Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, and shall survive the delivery of and payment for the Securities and any termination of this Agreement. Section headings have been included in this Agreement as a matter of convenience of reference only and are not to be used in the interpretation of any provisions of this Agreement. If any provision of this Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, because it conflicts with any provisions of any constitution, statute, rule of public policy or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

22. Counterparts. This Agreement may be executed in one or more counterparts with the same force and effect as if all signatures appeared on a single instrument.

23. Signatures. Upon execution by the City and the Underwriter, this Agreement shall be binding upon the City and the Underwriter as of the Effective Date and Time.

[Remainder of Page Intentionally Blank]

Very truly yours,

PIPER JAFFRAY & CO.

By: _____
Senior Vice President

THE CITY OF WHEELING, WEST VIRGINIA

By: _____
Authorized Representative

ACCEPTANCE DATE AND TIME:
May 15, 2013 at 3:40 p.m.

SCHEDULE I

$38,255,000
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

Maturity Date	Amount	Rate	Yield	Price	*	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bonds:									
6/1/2014	780,000	2.000%	0.540%	101.458					11,372.40
6/1/2015	800,000	2.000%	0.680%	102.621					20,968.00
6/1/2016	820,000	2.000%	0.880%	103.311					27,150.20
6/1/2017	835,000	2.000%	1.090%	103.554					29,675.90
6/1/2018	850,000	3.000%	1.330%	108.056					68,476.00
6/1/2019	875,000	3.000%	1.630%	107.804					68,285.00
6/1/2020	400,000	2.000%	1.920%	100.521					2,084.00
6/1/2020	500,000	3.000%	1.920%	107.045					35,225.00
6/1/2021	750,000	2.000%	2.190%	98.612					(10,410.00)
6/1/2021	175,000	4.000%	2.190%	113.220					23,135.00
6/1/2022	950,000	2.125%	2.370%	98.024					(18,772.00)
6/1/2023	970,000	2.250%	2.530%	97.539					(23,871.70)
	8,705,000								233,317.80
Term Bond Maturing June 1, 2026:									
6/1/2024	990,000	4.000%	3.000%	108.586	C	3.188%	6/1/2023	100.000	85,001.40
6/1/2025	1,030,000	4.000%	3.000%	108.586	C	3.188%	6/1/2023	100.000	88,435.80
6/1/2026	1,070,000	4.000%	3.000%	108.586	C	3.188%	6/1/2023	100.000	91,870.20
	3,090,000								265,307.40
Term Bond Maturing June 1, 2029:									
6/1/2027	1,115,000	3.375%	3.550%	97.877					(23,671.45)
6/1/2028	1,150,000	3.375%	3.550%	97.877					(24,414.50)
6/1/2029	1,190,000	3.375%	3.550%	97.877					(25,263.70)
	3,455,000								(73,349.65)
Term Bond Maturing June 1, 2033:									
6/1/2030	1,230,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	35,793.00
6/1/2031	1,280,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	37,248.00
6/1/2032	1,330,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	38,703.00
6/1/2033	1,160,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	33,756.00
	5,000,000								145,500.00
Term Bond Maturing June 1, 2038:									
6/1/2034	1,210,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	127,304.10
6/1/2035	1,215,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	127,830.15
6/1/2036	1,220,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	128,356.20
6/1/2037	1,225,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	128,882.25
6/1/2038	1,230,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	129,408.30
	6,100,000								641,781.00
5.000% Term Bond Maturing June 1, 2043:									
6/1/2039	190,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	18,327.40
6/1/2040	195,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	18,809.70
6/1/2041	200,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	19,292.00
6/1/2042	205,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	19,774.30
6/1/2043	210,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	20,256.60
	1,000,000								96,460.00
4.000% Term Bond Maturing June 1, 2043									
6/1/2033	225,000	4.000%	4.130%	97.775					(5,006.25)
6/1/2034	230,000	4.000%	4.130%	97.775					(5,117.50)
6/1/2035	295,000	4.000%	4.130%	97.775					(6,563.75)
6/1/2036	360,000	4.000%	4.130%	97.775					(8,010.00)
6/1/2037	430,000	4.000%	4.130%	97.775					(9,567.50)

6/1/2038	505,000	4.000%	4.130%	97.775	(11,236.25)
6/1/2039	1,625,000	4.000%	4.130%	97.775	(36,156.25)
6/1/2040	1,695,000	4.000%	4.130%	97.775	(37,713.75)
6/1/2041	1,770,000	4.000%	4.130%	97.775	(39,382.50)
6/1/2042	1,845,000	4.000%	4.130%	97.775	(41,051.25)
6/1/2043	1,925,000	4.000%	4.130%	97.775	(42,831.25)
	10,905,000				(242,636.25)
	38,255,000				1,066,380.30

*C – Priced to the first optional redemption date on June 1, 2023 at par (100%)

EXHIBIT A

SUPPLEMENTAL BOND COUNSEL OPINION

[LETTERHEAD OF STEPTOE & JOHNSON PLLC]

_____ ___, 2013

The City of Wheeling, West Virginia
Wheeling, West Virginia

Piper Jaffray & Co.
Charleston, West Virginia

Re: $38,255,000 The City of Wheeling, West Virginia Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance and sale by the City of Wheeling, West Virginia (the "Issuer") of its $38,255,000 aggregate principal amount of Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt) (the "Series 2013 Bonds"). In our capacity as Bond Counsel, we are delivering an opinion of even date herewith concerning the legality of the Series 2013 Bonds and the exclusion of interest on the Series 2013 Bonds from gross income for federal income tax purposes (the "Bond Opinion"). We have examined the documents and instruments as described in the Bond Opinion, the Official Statement and such other matters as we have deemed necessary or appropriate to render this opinion. Words and terms used in this opinion shall have the meanings assigned to them in the Bond Purchase Agreement (the "Purchase Agreement") dated May 15, 2013, between the Issuer and Piper Jaffray & Co. (the "Underwriter"), and approved by the Issuer.

Based upon the foregoing, we are of the opinion that:

1. This Purchase Agreement has been duly authorized, executed and delivered by, and (assuming due authorization, execution and delivery by the other parties and that it is a binding agreement of the other parties in accordance with its terms) constitutes a binding agreement in accordance with its terms of, the City.

2. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Ordinance is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

3. The statements contained in the Official Statement under the caption "Tax Matters" are true and accurate in all material respects and present a fair and accurate summary and description of the matters summarized and described under such caption.

4. Nothing has come to our attention which would lead us to believe that the statements contained in the Official Statement under the captions "Security for the Series 2013 Bonds," "The Series 2013 Bonds" (except for the statements referred to therein under "Book-Entry Series 2013 Bonds" with respect to The Depository Trust Company), "Financing Plan," "Appendix D – Form of Opinion of Bond Counsel," "Appendix E – Form of Bond Ordinance and Supplemental Parameters Resolution" insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, do not present fairly in all material respects the matters referred to therein.

Very truly yours,

EXHIBIT B

FORM OF OPINION OF COUNSEL TO ISSUER

[LETTERHEAD OF THE CITY OF WHEELING]

_____ ___, 2013

The City of Wheeling, West Virginia
Wheeling, West Virginia

Piper Jaffray & Co.
Charleston, West Virginia

Re: $38,255,000 The City of Wheeling, West Virginia Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)

Ladies and Gentlemen:

I have acted as counsel for the City of Wheeling, West Virginia (the "Issuer") and have acted as such in connection with the sale of the above-referenced Bonds (the "Bonds"), which are being delivered and sold pursuant to a Bond Purchase Agreement dated as of May 15, 2013 (the "Purchase Agreement"), between Piper Jaffray & Co. (the "Underwriter") and the Issuer. Any capitalized term used herein and not defined shall have the meaning assigned to it in the Purchase Agreement.

In this connection, I have reviewed and examined certain proceedings and documents with respect to the Bonds, any such records, certificates and other documents as I have considered necessary or appropriate for the purposes of this opinion, the Constitution and the laws of the State of West Virginia, specifically Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), the Ordinance of the Issuer relating to the Bonds enacted by the Council of the City on April 16, 2013 (the "Ordinance"), as supplemented by a supplemental parameters resolution adopted by the Council of the City on May 7, 2013 (the "Supplemental Resolution" and collectively with the Ordinance, hereinafter the "Ordinance"), the Continuing Disclosure Agreement (the "Undertaking"), the Purchase Agreement, the Preliminary Official Statement dated May 8, 2013, and the Official Statement dated May 15, 2013, with respect to the issuance and offering of the Bonds (collectively the "Official Statement"), and a closing certificate of the Issuer. Based on such review and such other considerations of law and fact as I believe to be relevant, I am of the opinion that:

1. The City is a political subdivision and municipal corporation of the State of West Virginia.

2. The City has complied with all requirements of the Act that must be satisfied in connection with the issuance of the Bonds.

3. No litigation is pending, or to my knowledge, threatened in any court in any way affecting the existence of the City or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the issuance or delivery of the Bonds, or the collection of Gross Revenues of the System pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Ordinance or this Purchase Agreement, or contesting the powers of the City with respect to the Bonds, the Ordinance, the Undertaking or this Purchase Agreement or any transaction described in or contemplated by the Official Statement.

4. The Official Statement, as amended or supplemented to the date of Closing (except as aforesaid) contains no untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein regarding the City, in light of the circumstances under which they were made, not misleading.

5. The statements contained in the Official Statement under the captions "The Series 2013 Bonds," "Security for the Series 2013 Bonds," "The City," "Debt Service Requirements," "The System," "Litigation," "Financing Plan," and "Appendix B—The System," insofar as such statements contained under such captions purport to summarize certain matters set forth therein and certain provisions of the Ordinance, are accurate and present a fair summary of the matters referred to therein.

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

Very truly yours,

EXHIBIT C

FORM OF UNDERWRITER'S COUNSEL OPINION

[LETTERHEAD OF JACKSON KELLY PLLC]

_____, 2013

Piper Jaffray & Co.
405 Capitol Street, Suite 613
Charleston, WV 25301

Re: $38,255,000 The City of Wheeling, West Virginia, Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax Exempt)

Ladies and Gentlemen:

We have acted as counsel to you, Piper Jaffray & Co. (the "Underwriter"), in connection with your purchase of the above-referenced bonds (the "Bonds") pursuant to a Bond Purchase Agreement dated May 15, 2013 (the "Purchase Agreement") between the City of Wheeling, West Virginia (the "Issuer") and you. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Purchase Agreement.

In connection with rendering this opinion, we have examined the Official Statement dated May 15, 2013, the Purchase Agreement and Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended and presently in effect (the "Rule").

Based upon the foregoing review, we are of the opinion that the Purchase Agreement has been duly authorized, executed and delivered by the Underwriter and (assuming due authorization, execution and delivery by the other parties and that it is a binding agreement of the other parties in accordance with its terms) constitutes a valid and binding agreement in accordance with its terms of, the Underwriter, except as may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting the respective parties, the exercise of judicial discretion or the availability of equitable remedies.

It is also our opinion that the Continuing Disclosure Agreement complies as to form in all material respects with the requirements of subparagraph (b)(5) of the Rule in effect as of the date hereof and applicable to continuing disclosure agreements.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. However, to assist you in your investigation concerning the Official Statement, we have reviewed certain documents and have participated in conferences in which the contents of the Official Statement and related matters were discussed. During the course of our work on this matter, no facts have come to the attention of attorneys in our firm rendering legal services

in connection with such issuance that cause us to believe that the Official Statement (except for any financial, accounting, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any management discussion and analysis or any information relating to The Depository Trust Company and the book-entry only system contained in the Official Statement and its Appendices included therein, which we expressly exclude from the scope of this sentence) contains as of the date hereof any untrue statements of a material fact or omits to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This opinion is solely for the benefit of, and may be relied upon only by, the Underwriter; and it is not to be used, circulated, quoted or otherwise referred to for any other purpose, except that a copy hereof may be included in the transcript of closing documents pertaining to the delivery of the Bonds.

Very truly yours,

Continuing Disclosure Agreement

This Continuing Disclosure Agreement (the "Agreement") is by and between the City of Wheeling, West Virginia (the "Issuer"), and WesBanco Bank, Inc. (the "Dissemination Agent"), in connection with the issuance of $38,255,000 The City of Wheeling, West Virginia Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Bonds"). The Bonds are being issued pursuant to the Ordinance enacted by the City Council of the City on April 16, 2013 (the "Original Ordinance"), as supplemented by a supplemental parameters resolution adopted by the Council of the City on May 7, 2013 (the "Supplemental Resolution" and collectively with the Ordinance, hereinafter the "Ordinance"). The Issuer and Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of Agreement. The Agreement is being executed and delivered by the Issuer and Dissemination Agent for the benefit of the holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with SEC Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance and the Bond Purchase Agreement dated May 15, 2013, which apply to any capitalized term used in the Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean the financial information (which shall be based on financial statements prepared in accordance with generally accepted accounting principles ("GAAP")) and operating data with respect to the Issuer, provided at least annually, of the type included in those sections of the final official statement with respect to the Bonds attached thereto as Appendix C, which Annual Financial Information shall include Audited Financial Statements if available on the Report Date, and, if not then available, unaudited financial statements.

"Audited Financial Statements" shall mean the Issuer's annual financial statements, prepared in accordance with GAAP, which financial statements shall have been audited by a firm of independent certified public accountants.

"Beneficial Owner" shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Disclosure Representative" shall mean the current Mayor, City Manager, Utility Manager or Finance Director of the Issuer.

"Dissemination Agent" shall initially mean WesBanco Bank, Inc., or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access System described in the 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board for purposes of the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of the Agreement.

"National Repository" shall mean the Municipal Securities Rulemaking Board, Washington, D.C., the sole Nationally Recognized Municipal Securities Information Repository for purposes of the Rule, effective as of July 1, 2009.

"Participating Underwriter" shall mean the original underwriter(s) of the Bonds who are required to comply with the Rule in connection with the offering of the Bonds.

"Repository" shall mean each National Repository.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of West Virginia.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 300 days after the end of the Issuer's fiscal year (presently June 30) (the "Due Date"), commencing with the report for the Fiscal Year ending June 30, 2013, provide to EMMA Annual Financial Information and Audited Financial Statements, which are consistent with the requirements of Section 4 of the Agreement. The Annual Financial Information and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of the Agreement. The Issuer shall provide the Dissemination Agent with a copy of each report filed under the Agreement. If the Issuer's fiscal year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 5(a). The Dissemination Agent shall send written notice to the Issuer thirty (30) days prior to the Due Date of the Annual Financial Information and Audited Financial Statements that such information is due by the Due Date.

(b) Not later than fifteen (15) Business Days prior to the Due Date, the Issuer shall provide the Annual Financial Information and Audited Financial Statements to the Dissemination Agent. If by the Due Date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer to determine if the Issuer is in compliance with the first sentence of this subsection (b). If the Dissemination Agent is unable to provide to EMMA its Annual Financial Information and Audited Financial Statements by the date required in subsection (a), the Dissemination Agent shall send a notice to EMMA in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall file a report with the Issuer certifying that the Annual Financial Information and Audited Financial Statements have been provided to EMMA pursuant to the Agreement and the date provided.

SECTION 4. Content of Annual Financial Information. Within 300 days of the Issuer's 2013 fiscal year-end, and each subsequent fiscal year, the Dissemination Agent shall submit to EMMA information and data of the Issuer for the prior fiscal year, including the Audited Financial Statements, prepared in accordance with generally accepted accounting principles in effect from time to time.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events in a timely manner, not in excess of ten (10) Business Days, following the occurrence of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

7. Modifications to rights of security holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership, or similar event of the Issuer[1];

13. The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action; or the termination of a definitive agreement relating to any such actions, other than pursuant to its term, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Dissemination Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Disclosure Representative, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws, in any event such determination must be made and submitted to the Dissemination Agent within two (2) Business Days.

(d) If the Issuer determines that knowledge of the occurrence of any of the Listed Events, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would be material under applicable federal securities laws pursuant to subsection (b) or the Issuer received notice of any Listed Event that does not require a finding of materiality classified under Section 5(a) (1), (3), (4), (5), (6), (9), (11) or (12), the Issuer shall promptly file with the Dissemination Agent a notice of such occurrence to be provided to EMMA.

(e) If in response to a request under subsection (b), the Issuer determines that the Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would not be material under applicable federal securities laws, the Issuer shall so notify the Dissemination Agent in

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1 For the purposes of the event identified in Section 5(a)(12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with EMMA with a copy to the Issuer. The Dissemination Agent must file such notice with EMMA within ten (10) Business Days of the occurrence of such Listed Event.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under the Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for any of the Listed Events under Section 5(a).

SECTION 7. Dissemination Agent. WesBanco Bank, Inc., is hereby appointed as Dissemination Agent. The Issuer may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist it in carrying out its obligations under the Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to the Agreement.

SECTION 8. Amendment, Waiver. Notwithstanding any other provision of the Agreement, the Issuer may amend the Agreement, and any provision of the Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Ordinance for amendments to the Ordinance with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of the Agreement, the Issuer shall describe such amendment in the next Annual Financial Information and Audited Financial Statements, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in

preparing financial statements, (i) notice of such change shall be given in the same manner as for any of the Listed Events under Section 5(a), and (ii) the Annual Financial Information and Audited Financial Statements for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in the Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in the Agreement or any other means of communication, or including any other information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events, in addition to that which is required by the Agreement. If the Issuer chooses to include any information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events in addition to that which is specifically required by the Agreement, the Issuer shall have no obligation under the Agreement to update such information or include it in any future Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events.

SECTION 10. Default. In the event of a failure of the Issuer or Dissemination Agent to comply with any provision of the Agreement (and, at the request of the Original Purchasers), the Dissemination Agent may or any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer or Dissemination Agent to comply with its obligations under the Agreement. A default under the Agreement shall not be deemed an Event of Default under the Ordinance, and the sole remedy under the Agreement in the event of any failure of the Issuer or Dissemination Agent to comply with the Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in the Agreement, and the Issuer agrees to the extent allowed by State law to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Notices. Any notices or communications to or among any of the parties to the Agreement may be given as follows:

To the Issuer:

City of Wheeling, West Virginia
City County Building
1500 Chapline Street
Wheeling, WV 26003

To the Dissemination Agent: WesBanco Bank, Inc.
ATTN: Corporate Trust
1 Bank Plaza
Wheeling, WV 26003

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 13. Beneficiaries. The Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Counterparts. The Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15. Fees. The Issuer agrees to pay all fees and expenses of the Dissemination Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Dissemination Agent's duties.

SECTION 16. Right to Resign. The Dissemination Agent may resign at any time by providing thirty (30) days' written notice to the Issuer.

SECTION 17. Right to Counsel. The Dissemination Agent shall have the right to consult with counsel in carrying out its duties under the Agreement and to rely upon an opinion of counsel.

[Remainder of this page intentionally left blank.]

Date: May 30, 2013

THE CITY OF WHEELING, WEST VIRGINIA

By: _____
Its: Mayor

WESBANCO BANK, INC.,
as Dissemination Agent

By: _____
Its: Vice President

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: The City of Wheeling (West Virginia)

Name of Issue: $38,255,000 The City of Wheeling, West Virginia Combined Waterworks and Sewerage System Revenue Bonds, Series 2013

Date of Issuance: May 30, 2013

Notice is hereby given that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by its covenant made in connection with the above-referenced bond issue. The Issuer anticipates that the Annual Report will be filed by _____.

Dated this _____.

THE CITY OF WHEELING, WEST VIRGINIA

By: _____
Its: Mayor

By: _____
Its: City Manager

The Depository Trust Company

A subsidiary of The Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS

[To be Completed by Issuer]

THE CITY OF WHEELING (West Virginia)
[Name of Issuer]

February 4, 2003
[Date]

[For Municipal Issues:
Underwriting Department—Eligibility; 50th Floor]
[For Corporate Issues:
General Counsel's Office; 49th Floor]
The Depository Trust Company
55 Water Street
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

THE CITY OF WHEELING (West Virginia)
(Issuer)

By: _____
(Authorized Officer's Signature)

Nicholas A. Sparachane, Mayor
(Print Name)

1500 Chapline Street
(Street Address)

Wheeling, WV USA 26003
(City) (State) (Country) (Zip Code)

(304) 234-3604
(Phone Number)

whgclerk@stratuswave.net
(E-mail Address)

Received and Accepted:
THE DEPOSITORY TRUST COMPANY

By: _____

DTCC
The Depository Trust & Clearing Corporation

[2/02]

(To Blanket Issuer Letter of Representations)

SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

(Prepared by DTC—bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the"Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue,and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com**.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner")is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity

of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

[**6.** Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC [nor its nominee], Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

[**9.** A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

The Depository Trust Company

A subsidiary of The Depository Trust & Clearing Corporation

OPERATIONAL ARRANGEMENTS AGENT LETTER

Date: February 4, 2003

Underwriting Department
The Depository Trust Company
55 Water Street 50th Floor
New York, NY 10041-0099

Ladies and Gentlemen:

From time to time, this organization may be appointed as a trustee, paying agent, transfer agent, or an agent in some other capacity for issues of securities or other financial assets that The Depository Trust Company ("DTC") will be requested to make eligible for its services. The undersigned confirms that when this organization acts in one of these capacities for any such issues, it hereby covenants that, to the extent within its control, it will comply with the requirements set forth in the DTC Operational Arrangements, as they may be amended from time to time.

Very truly yours,

THE CITY OF WHEELING (West Virginia)
(Name of Organization)

By: _____
(Authorized Officer's Signature)

Nicholas A. Sparachane, Mayor
(Print Name)

1500 Chapline Street
(Street Address)

Wheeling, WV USA 26003
(City) (State) (Country) (Zip Code)

304) 234-3604
(Phone Number)

whgclerk@stratuswave.net
(E-mail Address)

DTCC

The Depository Trust & Clearing Corporation

[2/02]

WEST VIRGINIA
Water Development Authority
Celebrating 39 Years of Service ***1974 - 2013***

May 30, 2013

The City of Wheeling
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013
(Tax-Exempt)

TO WHOM IT MAY CONCERN:

In reliance upon certificates of Bodkin, Wilson & Kozicki PLLC, an independent certified public accountant, stating that certain coverage and parity requirements have been met, and an opinion of Steptoe & Johnson PLLC, as bond counsel, the undersigned duly authorized representative for the West Virginia Water Development Authority, the registered owner of the entire outstanding aggregate principal amount of the Series 2005 A Bonds and Series 2010 B Bonds, hereinafter defined and described, hereby consents to (i) waive any coverage or parity requirements that have not been met; and (ii) the issuance of the Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax-Exempt) (the "Bonds"), in the aggregate principal amount of $38,255,000 by The City of Wheeling (the "Issuer"), under the terms of the bond ordinance and supplemental resolution authorizing the Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's outstanding Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000 (the "Series 2005 A Bonds"); and Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated December 14, 2010, issued in the original aggregate principal amount of $8,356,000 (the "Series 2010 B Bonds").

Sheila A Miller
Authorized Representative

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

The City of Wheeling
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013
(Tax-Exempt)

REGISTRAR AGREEMENT

THIS AGREEMENT, dated as of the 30th day of May, 2013, by and between THE CITY OF WHEELING, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and WESBANCO BANK, INC., Wheeling, West Virginia, a state banking corporation (the "Bank").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $38,255,000 aggregate principal amount of Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (Tax-Exempt) (the "Series 2013 Bonds" or "Bonds"), in fully registered form pursuant to a Bond Ordinance enacted on April 16, 2013, as supplemented by a Supplemental Parameters Resolution adopted May 7, 2013 (collectively, the "Bond Legislation");

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

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

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

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

1. Upon the execution of this Agreement by the Issuer and the Bank and during the term hereof, the Bank does accept and shall have and agrees to perform all of the powers and duties of Registrar, as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver the Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the excludability from gross income of interest on the Series 2013 Bonds for purposes of federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

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

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

4. As compensation for acting as Registrar pursuant to this Agreement, the Issuer hereby agrees to pay to the Bank, the compensation for services rendered as provided in the annexed fee schedule and reimbursement for reasonable expenses incurred in connection therewith.

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

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

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

ISSUER:
The City of Wheeling
1500 Chapline Street
Wheeling, West Virginia 26003
Attention: City Manager

REGISTRAR:
WesBanco Bank, Inc.
One Bank Plaza
Wheeling, West Virginia 26003
Attention: Trust Department

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

9. If any one or more of the covenants or agreements provided in this Agreement to be performed on the part of any of the parties hereto shall be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

10. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Remainder of Page Intentionally Blank]

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

THE CITY OF WHEELING

By: _____
Its: Mayor

WESBANCO BANK, INC.

By: _____
Its: Authorized Officer

964250.00061

EXHIBIT A

Bond Legislation

[See Transcript at Tab No. 1 and Tab No. 2]

WV MUNICIPAL BOND COMMISSION
900 Pennsylvania Avenue
Suite 1117
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 30-May-13

ISSUE: The City of Wheeling
Combined Waterworks and Sewerage System Revenue Bonds, Series 2013

ADDRESS: 1500 Chapline Street, Wheeling, WV 26003 COUNTY: Ohio

PURPOSE OF ISSUE:
New Money: X
Refunding:

ISSUE DATE: 5/30/2013
ISSUE AMOUNT: $38,255,000
1ST DEBT SERVICE DUE: 12/1/2013
1ST DEBT SERVICE AMOUNT see bonds

REFUNDS ISSUE(S) DATED:
CLOSING DATE: 5/30/2013
RATE: 2% to 5%
1ST PRINCIPAL DUE: 6/1/2013
PAYING AGENT: Municipal Bond Commission

BOND COUNSEL:
Firm: Steptoe & Johnson PLLC
Contact John C. Stump, Esquire
Phone: (304) 353.8196

UNDERWRITERS COUNSEL
Firm: Jackson Kelly, PLLC
Contact: Samme Gee, Esquire
Phone: (304) 340-1318

CLOSING BANK:
Bank: WesBanco Bank
Contact: Jan Shelburne
Phone: 304.234.9436

ESCROW TRUSTEE:
Firm:
Contact:
Phone:

KNOWLEDGEABLE ISSUER CONTACT
Contact: Robert Herron
Position: City Manager
Phone: 304.234.3617

OTHER:
Underwriter-
Piper Jaffray & Co.
Contact: Marie Prezioso
Position: Senior Vice- President
Phone: 304.343.7102

DEPOSITS TO MBC AT CLOSE
By: X Wire
Check

	Accrued Interest:	$
	Capitalized Interest:	$
x	Reserve Account	$ 2,223,418.76
	Other:	$
	Other:	

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: Wire
Check
IGT

	To Escrow Trustee	$
	To Issuer	$
	To Cons. Invest. Fund	$
	To Other:	$
	To Other:	$

NOTES: The Series 2013 Bonds Reserve Fund will be fully funded at closing.

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

BOND PRICING

The City of Wheeling, West Virginia
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013

Bond Component	Maturity Date	CUSIP ID	Amount	Rate	Yield	Price		Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bond:											
	06/01/2014	963270EM1	780,000	2.000%	0.540%	101.458					11,372.40
	06/01/2015	963270EN9	800,000	2.000%	0.680%	102.621					20,968.00
	06/01/2016	963270EP4	820,000	2.000%	0.880%	103.311					27,150.20
	06/01/2017	963270EQ2	835,000	2.000%	1.090%	103.554					29,675.90
	06/01/2018	963270ER0	850,000	3.000%	1.330%	108.056					68,476.00
	06/01/2019	963270ES8	875,000	3.000%	1.630%	107.804					68,285.00
	06/01/2020	963270EX7	400,000	2.000%	1.920%	100.521					2,084.00
	06/01/2020	963270ET6	500,000	3.000%	1.920%	107.045					35,225.00
	06/01/2021	963270EU3	750,000	2.000%	2.190%	98.612					(10,410.00)
	06/01/2021	963270EY5	175,000	4.000%	2.190%	113.220					23,135.00
	06/01/2022	963270EV1	950,000	2.125%	2.370%	98.024					(18,772.00)
	06/01/2023	963270EW9	970,000	2.250%	2.530%	97.539					(23,871.70)
			8,705,000								233,317.80
Term Bond:											
	06/01/2024	963270EZ2	990,000	4.000%	3.000%	108.586	C	3.188%	06/01/2023	100.000	85,001.40
	06/01/2025	963270EZ2	1,030,000	4.000%	3.000%	108.586	C	3.188%	06/01/2023	100.000	88,435.80
	06/01/2026	963270EZ2	1,070,000	4.000%	3.000%	108.586	C	3.188%	06/01/2023	100.000	91,870.20
			3,090,000								265,307.40
Term Bond #2:											
	06/01/2027	963270FA6	1,115,000	3.375%	3.550%	97.877					(23,671.45)
	06/01/2028	963270FA6	1,150,000	3.375%	3.550%	97.877					(24,414.50)
	06/01/2029	963270FA6	1,190,000	3.375%	3.550%	97.877					(25,263.70)
			3,455,000								(73,349.65)
Term Bond #3:											
	06/01/2030	963270FC2	1,230,000	4.000%	3.650%	102.910	C	3.791%	06/01/2023	100.000	35,793.00
	06/01/2031	963270FC2	1,280,000	4.000%	3.650%	102.910	C	3.791%	06/01/2023	100.000	37,248.00
	06/01/2032	963270FC2	1,330,000	4.000%	3.650%	102.910	C	3.791%	06/01/2023	100.000	38,703.00
	06/01/2033	963270FC2	1,160,000	4.000%	3.650%	102.910	C	3.791%	06/01/2023	100.000	33,756.00
			5,000,000								145,500.00
Term Bond #4:											
	06/01/2034	963270FD0	1,210,000	5.000%	3.730%	110.521	C	4.309%	06/01/2023	100.000	127,304.10
	06/01/2035	963270FD0	1,215,000	5.000%	3.730%	110.521	C	4.309%	06/01/2023	100.000	127,830.15
	06/01/2036	963270FD0	1,220,000	5.000%	3.730%	110.521	C	4.309%	06/01/2023	100.000	128,356.20
	06/01/2037	963270FD0	1,225,000	5.000%	3.730%	110.521	C	4.309%	06/01/2023	100.000	128,882.25
	06/01/2038	963270FD0	1,230,000	5.000%	3.730%	110.521	C	4.309%	06/01/2023	100.000	129,408.30
			6,100,000								641,781.00
Term Bond #5:											
	06/01/2039	963270FE8	190,000	5.000%	3.830%	109.646	C	4.417%	06/01/2023	100.000	18,327.40
	06/01/2040	963270FE8	195,000	5.000%	3.830%	109.646	C	4.417%	06/01/2023	100.000	18,809.70
	06/01/2041	963270FE8	200,000	5.000%	3.830%	109.646	C	4.417%	06/01/2023	100.000	19,292.00
	06/01/2042	963270FE8	205,000	5.000%	3.830%	109.646	C	4.417%	06/01/2023	100.000	19,774.30
	06/01/2043	963270FE8	210,000	5.000%	3.830%	109.646	C	4.417%	06/01/2023	100.000	20,256.60
			1,000,000								96,460.00
Term Bond #6:											
	06/01/2033	963270FB4	225,000	4.000%	4.130%	97.775					(5,006.25)
	06/01/2034	963270FB4	230,000	4.000%	4.130%	97.775					(5,117.50)
	06/01/2035	963270FB4	295,000	4.000%	4.130%	97.775					(6,563.75)
	06/01/2036	963270FB4	360,000	4.000%	4.130%	97.775					(8,010.00)
	06/01/2037	963270FB4	430,000	4.000%	4.130%	97.775					(9,567.50)
	06/01/2038	963270FB4	505,000	4.000%	4.130%	97.775					(11,236.25)
	06/01/2039	963270FB4	1,625,000	4.000%	4.130%	97.775					(36,156.25)
	06/01/2040	963270FB4	1,695,000	4.000%	4.130%	97.775					(37,713.75)
	06/01/2041	963270FB4	1,770,000	4.000%	4.130%	97.775					(39,382.50)
	06/01/2042	963270FB4	1,845,000	4.000%	4.130%	97.775					(41,051.25)
	06/01/2043	963270FB4	1,925,000	4.000%	4.130%	97.775					(42,831.25)
			10,905,000								(242,636.25)
			38,255,000								1,066,380.30

Dated Date	05/30/2013	
Delivery Date	05/30/2013	
First Coupon	12/01/2013	
Par Amount	38,255,000.00	
Premium	1,066,380.30	
Production	39,321,380.30	102.787558%
Underwriter's Discount	(344,295.00)	(0.900000%)
Purchase Price	38,977,085.30	101.887558%
Accrued Interest		
Net Proceeds	38,977,085.30	

Notes:
FINAL
Based on market rates as of May 15, 2013
'A' rated by Standard & Poor's

SOURCES AND USES OF FUNDS

The City of Wheeling, West Virginia
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013

Dated Date	05/30/2013
Delivery Date	05/30/2013

Sources:	
Bond Proceeds:	
Par Amount	38,255,000.00
Net Premium	1,066,380.30
	39,321,380.30

Uses:	
Project Fund Deposits:	
Construction Fund	36,559,000.00
Other Fund Deposits:	
Reserve Account	2,223,418.76
Cost of Issuance:	
Bond Counsel	85,000.00
Underwriter's Counsel	50,000.00
Rating Agency (S&P)	23,000.00
Accountant	25,000.00
Registrar/Dissemination Agent	3,750.00
Official Statement Printing	2,000.00
Escrow Verification	1,700.00
CUSIP Assignment	500.00
Miscellaneous	3,716.54
	194,666.54
Underwriter's Discount:	
($9.00 / $1,000)	344,295.00
	39,321,380.30

Notes:
FINAL
Based on market rates as of May 15, 2013.
'A' rated by Standard & Poor's.

BOND DEBT SERVICE

The City of Wheeling, West Virginia
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013

Period Ending	Principal	Coupon	Interest	Debt Service
06/01/2014	780,000	2.000%	1,438,854.50	2,218,854.50
06/01/2015	800,000	2.000%	1,419,268.76	2,219,268.76
06/01/2016	820,000	2.000%	1,403,268.76	2,223,268.76
06/01/2017	835,000	2.000%	1,386,868.76	2,221,868.76
06/01/2018	850,000	3.000%	1,370,168.76	2,220,168.76
06/01/2019	875,000	3.000%	1,344,668.76	2,219,668.76
06/01/2020	900,000	** %	1,318,418.76	2,218,418.76
06/01/2021	925,000	** %	1,295,418.76	2,220,418.76
06/01/2022	950,000	2.125%	1,273,418.76	2,223,418.76
06/01/2023	970,000	2.250%	1,253,231.26	2,223,231.26
06/01/2024	990,000	4.000%	1,231,406.26	2,221,406.26
06/01/2025	1,030,000	4.000%	1,191,806.26	2,221,806.26
06/01/2026	1,070,000	4.000%	1,150,606.26	2,220,606.26
06/01/2027	1,115,000	3.375%	1,107,806.26	2,222,806.26
06/01/2028	1,150,000	3.375%	1,070,175.00	2,220,175.00
06/01/2029	1,190,000	3.375%	1,031,362.50	2,221,362.50
06/01/2030	1,230,000	4.000%	991,200.00	2,221,200.00
06/01/2031	1,280,000	4.000%	942,000.00	2,222,000.00
06/01/2032	1,330,000	4.000%	890,800.00	2,220,800.00
06/01/2033	1,385,000	4.000%	837,600.00	2,222,600.00
06/01/2034	1,440,000	** %	782,200.00	2,222,200.00
06/01/2035	1,510,000	** %	712,500.00	2,222,500.00
06/01/2036	1,580,000	** %	639,950.00	2,219,950.00
06/01/2037	1,655,000	** %	564,550.00	2,219,550.00
06/01/2038	1,735,000	** %	486,100.00	2,221,100.00
06/01/2039	1,815,000	** %	404,400.00	2,219,400.00
06/01/2040	1,890,000	** %	329,900.00	2,219,900.00
06/01/2041	1,970,000	** %	252,350.00	2,222,350.00
06/01/2042	2,050,000	** %	171,550.00	2,221,550.00
06/01/2043	2,135,000	** %	87,500.00	2,222,500.00
	38,255,000		28,379,348.38	66,634,348.38

Notes:
FINAL
Based on market rates as of May 15, 2013.
'A' rated by Standard & Poor's.

BOND SUMMARY STATISTICS

The City of Wheeling, West Virginia
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013

Dated Date	05/30/2013
Delivery Date	05/30/2013
Last Maturity	06/01/2043
Arbitrage Yield	3.640753%
True Interest Cost (TIC)	3.878697%
Net Interest Cost (NIC)	3.976651%
All-In TIC	3.919408%
Average Coupon	4.080475%
Average Life (years)	18.180
Duration of Issue (years)	12.553
Par Amount	38,255,000.00
Bond Proceeds	39,321,380.30
Total Interest	28,379,348.38
Net Interest	27,657,263.08
Total Debt Service	66,634,348.38
Maximum Annual Debt Service	2,223,418.76
Average Annual Debt Service	2,220,939.30
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	9.000000
Total Underwriter's Discount	9.000000
Bid Price	101.887558

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bond	8,705,000.00	102.680	2.389%	5.704
Term Bond	3,090,000.00	108.586	4.000%	12.029
Term Bond #2	3,455,000.00	97.877	3.375%	15.024
Term Bond #3	5,000,000.00	102.910	4.000%	18.487
Term Bond #4	6,100,000.00	110.521	5.000%	23.011
Term Bond #5	1,000,000.00	109.646	5.000%	28.053
Term Bond #6	10,905,000.00	97.775	4.000%	27.135
	38,255,000.00			18.180

	TIC	All-In TIC	Arbitrage Yield
Par Value	38,255,000.00	38,255,000.00	38,255,000.00
+ Accrued Interest			
+ Premium (Discount)	1,066,380.30	1,066,380.30	1,066,380.30
- Underwriter's Discount	(344,295.00)	(344,295.00)	
- Cost of Issuance Expense		(194,666.54)	
- Other Amounts			
Target Value	38,977,085.30	38,782,418.76	39,321,380.30
Target Date	05/30/2013	05/30/2013	05/30/2013
Yield	3.878697%	3.919408%	3.640753%

Notes:
FINAL
Based on market rates as of May 15, 2013.
'A' rated by Standard & Poor's.

FORM 8038 STATISTICS

The City of Wheeling, West Virginia
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013

Dated Date 05/30/2013
Delivery Date 05/30/2013

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Bond:						
	06/01/2014	780,000.00	2.000%	101.458	791,372.40	780,000.00
	06/01/2015	800,000.00	2.000%	102.621	820,968.00	800,000.00
	06/01/2016	820,000.00	2.000%	103.311	847,150.20	820,000.00
	06/01/2017	835,000.00	2.000%	103.554	864,675.90	835,000.00
	06/01/2018	850,000.00	3.000%	108.056	918,476.00	850,000.00
	06/01/2019	875,000.00	3.000%	107.804	943,285.00	875,000.00
	06/01/2020	400,000.00	2.000%	100.521	402,084.00	400,000.00
	06/01/2020	500,000.00	3.000%	107.045	535,225.00	500,000.00
	06/01/2021	750,000.00	2.000%	98.612	739,590.00	750,000.00
	06/01/2021	175,000.00	4.000%	113.220	198,135.00	175,000.00
	06/01/2022	950,000.00	2.125%	98.024	931,228.00	950,000.00
	06/01/2023	970,000.00	2.250%	97.539	946,128.30	970,000.00
Term Bond:						
	06/01/2024	990,000.00	4.000%	108.586	1,075,001.40	990,000.00
	06/01/2025	1,030,000.00	4.000%	108.586	1,118,435.80	1,030,000.00
	06/01/2026	1,070,000.00	4.000%	108.586	1,161,870.20	1,070,000.00
Term Bond #2:						
	06/01/2027	1,115,000.00	3.375%	97.877	1,091,328.55	1,115,000.00
	06/01/2028	1,150,000.00	3.375%	97.877	1,125,585.50	1,150,000.00
	06/01/2029	1,190,000.00	3.375%	97.877	1,164,736.30	1,190,000.00
Term Bond #3:						
	06/01/2030	1,230,000.00	4.000%	102.910	1,265,793.00	1,230,000.00
	06/01/2031	1,280,000.00	4.000%	102.910	1,317,248.00	1,280,000.00
	06/01/2032	1,330,000.00	4.000%	102.910	1,368,703.00	1,330,000.00
	06/01/2033	1,160,000.00	4.000%	102.910	1,193,756.00	1,160,000.00
Term Bond #4:						
	06/01/2034	1,210,000.00	5.000%	110.521	1,337,304.10	1,210,000.00
	06/01/2035	1,215,000.00	5.000%	110.521	1,342,830.15	1,215,000.00
	06/01/2036	1,220,000.00	5.000%	110.521	1,348,356.20	1,220,000.00
	06/01/2037	1,225,000.00	5.000%	110.521	1,353,882.25	1,225,000.00
	06/01/2038	1,230,000.00	5.000%	110.521	1,359,408.30	1,230,000.00
Term Bond #5:						
	06/01/2039	190,000.00	5.000%	109.646	208,327.40	190,000.00
	06/01/2040	195,000.00	5.000%	109.646	213,809.70	195,000.00
	06/01/2041	200,000.00	5.000%	109.646	219,292.00	200,000.00
	06/01/2042	205,000.00	5.000%	109.646	224,774.30	205,000.00
	06/01/2043	210,000.00	5.000%	109.646	230,256.60	210,000.00
Term Bond #6:						
	06/01/2033	225,000.00	4.000%	97.775	219,993.75	225,000.00
	06/01/2034	230,000.00	4.000%	97.775	224,882.50	230,000.00
	06/01/2035	295,000.00	4.000%	97.775	288,436.25	295,000.00
	06/01/2036	360,000.00	4.000%	97.775	351,990.00	360,000.00
	06/01/2037	430,000.00	4.000%	97.775	420,432.50	430,000.00
	06/01/2038	505,000.00	4.000%	97.775	493,763.75	505,000.00
	06/01/2039	1,625,000.00	4.000%	97.775	1,588,843.75	1,625,000.00
	06/01/2040	1,695,000.00	4.000%	97.775	1,657,286.25	1,695,000.00
	06/01/2041	1,770,000.00	4.000%	97.775	1,730,617.50	1,770,000.00
	06/01/2042	1,845,000.00	4.000%	97.775	1,803,948.75	1,845,000.00
	06/01/2043	1,925,000.00	4.000%	97.775	1,882,168.75	1,925,000.00
		38,255,000.00			39,321,380.30	38,255,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	06/01/2043	4.109%	2,112,425.35	2,135,000.00		
Entire Issue			39,321,380.30	38,255,000.00	18.1103	3.6408%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	538,961.54
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	2,223,418.76

Notes:
FINAL
Based on market rates as of May 15, 2013.
'A' rated by Standard & Poor's.

PiperJaffray. **Memo**

FINAL

*** CLOSING MEMORANDUM***

To: Distribution List

From: Marie Prezioso
Joe Nassif

Office: Charleston

Re: $38,255,000
The City of Wheeling, West Virginia
Combined Waterworks and Sewerage System
Revenue Bonds, Series 2013 (Tax-Exempt)

Date: May 24, 2013

CLOSING DATE, TIME & LOCATION:

Thursday, May 30, 2013
10:00 a.m. Eastern Time
By Telephone

CLOSING DTC FAST

SOURCES AND USES OF SERIES 2013 BONDS

SOURCES OF FUNDS:

Principal Amount	$38,255,000.00
Plus: Original Issue Premium	1,066,380.30
Total Sources of Funds:	**$39,321,380.30**

USES OF FUNDS:

Construction Fund	36,559,000.00
Reserve Account	2,223,418.76
Underwriter's Discount	344,295.00
Costs of Issuance (Estimated)	194,666.54
Total Uses of Funds:	**$39,321,380.30**

PiperJaffray. Memo

MISCELLANEOUS

Upon confirmation that the electronic transfer has been received and that other required activities have been completed, Steptoe & Johnson PLLC, WesBanco and Piper Jaffray will authorize the release and distribution of the Bonds.

Because of the redelivery requirements of the Depository Trust Company, it is imperative that the above activities be completed no later than 12:30 p.m. Eastern Time on May 30, 2013.

BOND PRICING
$38,255,000
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BONDS, SERIES 2013 (TAX EXEMPT)

Maturity Date	Amount	Rate	Yield	Price	*	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bonds:									
6/1/2014	780,000	2.000%	0.540%	101.458					11,372.40
6/1/2015	800,000	2.000%	0.680%	102.621					20,968.00
6/1/2016	820,000	2.000%	0.880%	103.311					27,150.20
6/1/2017	835,000	2.000%	1.090%	103.554					29,675.90
6/1/2018	850,000	3.000%	1.330%	108.056					68,476.00
6/1/2019	875,000	3.000%	1.630%	107.804					68,285.00
6/1/2020	400,000	2.000%	1.920%	100.521					2,084.00
6/1/2020	500,000	3.000%	1.920%	107.045					35,225.00
6/1/2021	750,000	2.000%	2.190%	98.612					(10,410.00)
6/1/2021	175,000	4.000%	2.190%	113.220					23,135.00
6/1/2022	950,000	2.125%	2.370%	98.024					(18,772.00)
6/1/2023	970,000	2.250%	2.530%	97.539					(23,871.70)
	8,705,000								233,317.80
Term Bond Maturing June 1, 2026:									
6/1/2024	990,000	4.000%	3.000%	108.586	C	3.188%	6/1/2023	100.000	85,001.40
6/1/2025	1,030,000	4.000%	3.000%	108.586	C	3.188%	6/1/2023	100.000	88,435.80
6/1/2026	1,070,000	4.000%	3.000%	108.586	C	3.188%	6/1/2023	100.000	91,870.20
	3,090,000								265,307.40
Term Bond Maturing June 1, 2029:									
6/1/2027	1,115,000	3.375%	3.550%	97.877					(23,671.45)
6/1/2028	1,150,000	3.375%	3.550%	97.877					(24,414.50)
6/1/2029	1,190,000	3.375%	3.550%	97.877					(25,263.70)
	3,455,000								(73,349.65)
Term Bond Maturing June 1, 2033:									
6/1/2030	1,230,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	35,793.00
6/1/2031	1,280,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	37,248.00
6/1/2032	1,330,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	38,703.00
6/1/2033	1,160,000	4.000%	3.650%	102.910	C	3.791%	6/1/2023	100.000	33,756.00
	5,000,000								145,500.00
Term Bond Maturing June 1, 2038:									
6/1/2034	1,210,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	127,304.10
6/1/2035	1,215,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	127,830.15
6/1/2036	1,220,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	128,356.20
6/1/2037	1,225,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	128,882.25
6/1/2038	1,230,000	5.000%	3.730%	110.521	C	4.309%	6/1/2023	100.000	129,408.30
	6,100,000								641,781.00

PiperJaffray. Memo

5.000% Term Bond Maturing June 1, 2043:									
6/1/2039	190,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	18,327.40
6/1/2040	195,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	18,809.70
6/1/2041	200,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	19,292.00
6/1/2042	205,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	19,774.30
6/1/2043	210,000	5.000%	3.830%	109.646	C	4.417%	6/1/2023	100.000	20,256.60
	1,000,000								96,460.00
4.000% Term Bond Maturing June 1, 2043									
6/1/2033	225,000	4.000%	4.130%	97.775					(5,006.25)
6/1/2034	230,000	4.000%	4.130%	97.775					(5,117.50)
6/1/2035	295,000	4.000%	4.130%	97.775					(6,563.75)
6/1/2036	360,000	4.000%	4.130%	97.775					(8,010.00)
6/1/2037	430,000	4.000%	4.130%	97.775					(9,567.50)
6/1/2038	505,000	4.000%	4.130%	97.775					(11,236.25)
6/1/2039	1,625,000	4.000%	4.130%	97.775					(36,156.25)
6/1/2040	1,695,000	4.000%	4.130%	97.775					(37,713.75)
6/1/2041	1,770,000	4.000%	4.130%	97.775					(39,382.50)
6/1/2042	1,845,000	4.000%	4.130%	97.775					(41,051.25)
6/1/2043	1,925,000	4.000%	4.130%	97.775					(42,831.25)
	10,905,000								(242,636.25)
	38,255,000								1,066,380.30

*C – Priced to the first optional redemption date on June 1, 2023 at par (100%)

CITY OF WHEELING
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A
(WEST VIRGINIA SRF PROGRAM)

BOND ORDINANCE

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CITY OF WHEELING

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $16,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS SERIES 2005 A (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. The City of Wheeling (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Ohio and Marshall Counties of said State.

B. The Issuer presently owns and operates a public combined waterworks and sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements to the sewerage portion of the existing public waterworks and sewerage system of the Issuer, consisting of upgrades to the existing wastewater treatment facilities and the rehabilitation of the existing sewer collection system, together with all appurtenant facilities, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer (collectively, the "Project") (the existing public combined waterworks and sewerage system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System").

C. The Issuer intends to permanently finance a portion of the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), in connection with the West Virginia Water Pollution Control Revolving Fund Program (the "SRF Program"), which the Authority administers pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), in the total aggregate principal amount of not more than $16,000,000 (the "Series 2005 A Bonds"), initially to be represented by a single bond, to permanently finance a portion of the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor and eligible under the SRF Program; interest, if any, upon the Series 2005 A Bonds prior to and during acquisition or construction and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2005 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; fees and expenses of the Authority, including the SRF Administrative Fee (as hereafter defined); discount; initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2005 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; the acquisition or construction of the Project and the placing of same in operation; and the performance of the

things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2005 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Series 2005 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and among the Issuer, the Authority and the West Virginia Department of Environmental Protection (the "DEP"), in form satisfactory to the Issuer, the Authority, and the DEP (the "Loan Agreement"), to be approved hereby if not previously approved by resolution of the Issuer.

G. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2005 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's (i) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A, dated January 23, 2003, issued in the original aggregate principal amount of $1,940,000; and (ii) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, dated January 1, 1997, issued in the original aggregate principal amount of $20,600,000 (collectively, the "Prior Bonds").

The Series 2005 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2005 A Bonds, the Issuer will obtain the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds have been met. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all covenants of the Prior Bonds and Prior Ordinances.

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

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition and construction of the Project and the operation of the System and issuance of the Series 2005 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a certificate of public convenience and necessity from the Public Service Commission of West Virginia by final

order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2005 A Bonds or such final order will not be subject to appeal.

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

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2005 A Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2005 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2005 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the DEP under the Act.

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

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

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

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

"Bonds" means, collectively, the Series 2005 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

"City Clerk" means the City Clerk 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 2005 A Bonds for all or a portion of the proceeds of the Series 2005 A Bonds from the Authority and the DEP.

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

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

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

"Consulting Engineers" means Conestoga-Rovers & Associates, Pittsburgh, Pennsylvania, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System, or portion thereof, in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

"Costs" or "Costs of the Project" means those costs described in Section 1.02D hereof to be a part of the cost of acquisition and construction of the Project.

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

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

"Depreciation Fund" means the Depreciation Fund created by the Prior Ordinances and continued hereby.

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

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

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

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

"Grant" means any and all grants received by the Issuer for the payment of a portion of the costs of acquiring and constructing the Project.

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

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

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

"Investment Property" means

(A) any security (within the meaning of Section 165(g)(2)(A) or (B) of the Code),

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

(E) in the case of a bond other than a private activity bond, any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan.

Except as provided in the following sentence, the term "Investment Property" does not include any tax-exempt bond. With respect to an issue other than an issue a part of which is a specified private activity bond (as defined in section 57(a)(5)(C) of the Code), the term "Investment Property" includes a specified private activity bond (as so defined).

"Issuer" means the City of Wheeling, a municipal corporation and political subdivision of the State of West Virginia, in Ohio and Marshall Counties, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the Loan Agreement heretofore entered into, or to be entered into, by and among the Issuer, the Authority and the DEP, providing for the purchase of the Series 2005 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 2005 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2005 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2005 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property as defined in Section 148(b) of the Code, that is not a purpose investment.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the costs, the SRF Administrative Fee, fees and expenses of

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

"Operation and Maintenance Fund" means the Operation and Maintenance Fund created by the Prior Ordinances and continued hereby.

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

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

"Paying Agent" means the Commission or other entity or authority designated as such for the Series 2005 A Bonds in the Supplemental Resolution, with the written consent of the Authority and the DEP.

"Prior Bonds" means, collectively, the Issuer's (i) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A, dated January 23, 2003, issued in the original aggregate principal amount of $1,940,000; and (ii) its Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, dated January 1, 1997, issued in the original aggregate principal amount of $20,600,000.

"Prior Ordinances" means, collectively, the ordinances of the Issuer, including all amendments and supplements thereto, authorizing the issuance of the Prior Bonds.

"Private Business Use" means use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit; provided that, use as a member of the general public shall not be taken into account.

"Project" means the Project as described in Section 1.02B hereof.

"Qualified Investments" means and includes any of the following:

(a) Government Obligations;

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

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

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

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

always at least equal to the principal amount of said time accounts;

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

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

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

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

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

"Registrar" means the Bond Registrar.

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

"Reserve Accounts" means, collectively, the respective reserve account established for the Series 2005 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amount required to be on deposit in any Reserve Account for the Prior Bonds and the Series 2005 A Bonds.

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

"Series 1997 Bonds" means the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, described in Section 1.02G hereof.

"Series 2003 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A, described in Section 1.02G hereof.

"Series 2005 A Bonds" means Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), of the Issuer, authorized by this Bond Legislation.

"Series 2005 A Bonds Construction Trust Fund" means the Series 2005 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2005 A Bonds Reserve Account" means the Series 2005 A Bonds Reserve Account established by Section 5.02 hereof.

"Series 2005 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2005 A Bonds in the then current or any succeeding year.

"Series 2005 A Bonds Sinking Fund" means the Series 2005 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective sinking fund established for the Prior Bonds and the Series 2005 A Bonds.

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

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

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

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2005 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2005 A Bonds, and not so included may be included in another Supplemental Resolution.

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

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

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

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

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed $18,425,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2005 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the DEP.

The cost of the Project is estimated not to exceed $18,425,000, of which approximately $16,000,000 will be obtained from proceeds of the Series 2005 A Bonds, and approximately $2,425,000 will be obtained from the proceeds of a U.S. Environmental Protection Agency Grant.

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 2005 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2005 A Bonds of the Issuer. The Series 2005 A Bonds shall be issued as a single bond, designated "Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program)", in the principal amount of not more than $16,000,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2005 A Bonds remaining after funding of the Series 2005 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 2005 A Bonds, if any, shall be deposited in or credited to the Series 2005 A Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2005 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2005 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest, if any, on the Series 2005 A Bonds shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2005 A Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2005 A Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2005 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable,

corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2005 A Bonds shall be executed in the name of the Issuer by the Mayor and the 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 the Series 2005 A Bonds shall cease to be such officer of the Issuer before the Series 2005 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2005 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of the authorization of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2005 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2005 A Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2005 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2005 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2005 A Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Series 2005 A Bonds.

The registered Series 2005 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2005 A Bonds or transferring the registered Series 2005 A Bonds are exercised, all Series 2005 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2005 A Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 2005 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 2005 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2005 A Bonds or, in the case of any proposed redemption of Series 2005 A Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2005 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate, register 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 2005 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Gross Revenues derived from the operation of the System as herein

provided. No Holder or Holders of the Series 2005 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2005 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of all Series 2005 A Bonds shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the operation of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. Such Gross Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2005 A Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as the same become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2005 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2005 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2005 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2005 A Bonds to the original purchasers;

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

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2005 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2005 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WHEELING
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2005 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That on this the ___ day of _____, 2005, the CITY OF WHEELING, a municipal corporation and political subdivision of the State of West Virginia in Ohio and Marshall Counties of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20__, as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference, with interest on each installment at the rate per annum set forth on said Exhibit B. The interest and the SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing _____ 1, 20___, as set forth on Exhibit B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement (the "Loan Agreement") by and among the Issuer, the Authority and the DEP, dated _____, 2005.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the sewerage portion of the existing public combined waterworks sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public combined waterworks and sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2005, and a Supplemental Resolution duly adopted by the Issuer on _____, 2005 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S (1) COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2003 A, DATED JANUARY 23, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,940,000; AND (2) COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1997, DATED JANUARY 1, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $20,600,000 (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the Holders of the Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2005 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and 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 Gross Revenues, the monies in the Series 2005 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to comply with the rate coverage required by the ordinances authorizing the Prior Bonds, so long as the Prior Bonds are outstanding, and thereafter, sufficient to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that when the Prior Bonds are no longer outstanding and so long as there exists in the Series 2005 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Gross 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, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

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

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2005 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2005.

THE HUNTINGTON NATIONAL BANK,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2005 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the City Clerk is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement, including all schedules and exhibits attached thereto, are hereby approved and incorporated into this Bond Legislation.

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

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

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

(2) Depreciation Fund (established by the Prior Ordinances);

(3) Operation and Maintenance Fund (established by the Prior Ordinance);

(4) Series 2005 A Bonds Construction Trust Fund; and

(5) Rebate Fund.

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

(1) Series 2005 A Bonds Sinking Fund; and

(2) Series 2005 A 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 and this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond Legislation and in the Prior Ordinances. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following manner order of priority:

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Sinking Funds for the Prior Bonds, the amounts required by the Prior Ordinances to pay

interest on the Prior Bonds; and (ii) commencing 3 months prior to the first date of payment of interest on the Series 2005 A Bonds, for which interest has not been capitalized or as required in the Loan Agreement, for deposit in the Series 2005 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest which will become due on the Series 2005 A Bonds on the next ensuing quarterly interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2005 A Bonds Sinking Fund and the next quarterly interest payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, the required amount of interest coming due on such date.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Sinking Funds for the Prior Bonds, the amounts required by the Prior Ordinances to pay the principal of the Prior Bonds; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2005 A Bonds, for deposit in the Series 2005 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2005 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2005 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, each month, transfer from the Revenue Fund and deposit in the Operation and Maintenance Fund, an amount sufficient to pay current Operating Expenses of the System.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) the amounts required by the Prior Ordinances to be deposited in the Reserve Accounts for the Prior Bonds, and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2005 A Bonds, if not fully funded upon issuance of the Series 2005 A Bonds, for deposit in the

Series 2005 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2005 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2005 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2005 A Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Depreciation Fund, an amount equal to 5% of the Gross Revenues each month (as previously set forth in the Prior Ordinances and not in addition thereto), so long as the Prior Bonds are outstanding, and thereafter, an amount equal to 2 1/2% of the Gross Revenues each month, so long as the Series 2005 A Bonds are outstanding, exclusive of any payments for account of any Reserve Account. All funds in the Depreciation 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 Depreciation Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such accounts have not, as of the date of determination of a deficiency, funded such accounts to the maximum extent required hereof) shall be promptly eliminated with monies from the Depreciation Fund.

Monies in the Series 2005 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2005 A Bonds as the same shall become due. Monies in the Series 2005 A Bonds Reserve Account shall be used only for the purposes of paying principal of and interest, if any, on the Series 2005 A Bonds as the same shall come due, when other monies in the Series 2005 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2005 A Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2005 A Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2005 A Bonds Reserve Account which result in a reduction in the balance of the Series 2005 A Bonds Reserve Account to below the Series 2005 A Bonds Reserve Requirement shall be subsequently restored from the first Gross Revenues available after all required payments have been made in full in the priority as set forth above.

As and when additional Bonds ranking on a parity with the Series 2005 A Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2005 A Bonds Sinking Fund or into the Series 2005 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2005 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the maturity thereof.

Principal, interest or reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2005 A Bonds, all in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account created hereunder, and all required amounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2005 A Bonds Sinking Fund, including the Series 2005 A Bonds Reserve Account therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2005 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall, on the first day of each month (if the first day is not a business day, then the first business day of each month), deposit with the Commission the required interest, if any, principal and reserve account payments with respect to the Series 2005 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall, on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission, the SRF Administrative Fee as set forth in the Schedule Y attached to the Loan Agreement.

C. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Loan Agreement, and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of such calendar month.

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

E. 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, if required by the Authority anytime 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.

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

G. 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 relevant provisions of the Prior Ordinances, and the Gross Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

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

J. All Tap Fees shall be deposited by the Issuer, as received, in the Series 2005 A Bonds Construction Trust Fund, and following completion of the Project, shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2005 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2005 A Bonds, there shall first be deposited with the Commission in the Series 2005 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest.

B. Next, from the proceeds of the Series 2005 A Bonds, there shall be deposited with the Commission in the Series 2005 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2005 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2005 A Bonds, such monies shall be deposited with the Depository Bank in the 2005 A Bonds Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02 hereof, and until expended, are hereby pledged as additional security for the Series 2005 A Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2005 A Bonds shall be expended as directed by the DEP.

Section 6.02. Disbursements From the Series 2005 A Bonds Construction Trust Fund. On or before the Closing Date, the Issuer shall have delivered to the Authority and the DEP a report listing the specific purposes for which the proceeds of the Series 2005 A Bonds will be expended and the disbursement procedures of such proceeds, including an estimated monthly draw schedule. Payments for Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2005 A Bonds Construction Trust Fund shall be made only after submission to, and approved from, the Authority and the DEP of the following:

(1) a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement, in compliance with the construction schedule; and

(2) a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

(A) None of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;

(B) Each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;

(C) Each of such costs has been otherwise properly incurred; and

(D) Payment for each of the items proposed is then due and owing.

Pending such application, monies in the Series 2005 A Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2005 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2005 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2005 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2005 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Series 2005 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2005 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of the Series 2005 A Bonds shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. The Gross Revenues in an amount sufficient to pay the principal of and interest, if any, on the Prior Bonds and the Series 2005 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the water rate ordinance of the Issuer enacted October 21, 2003, and the sewer rates approved and described in the Recommended Decision of the West Virginia Public Service Commission entered February 10, 2004, in Case No. 03-1943-S-MA, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2005 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates and charges initially established for the System in connection with the Series 2005 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the Prior Ordinances. Additionally, so long as the Series 2005 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the DEP, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2005 A Bonds, immediately be remitted to the Commission for deposit in the Series 2005 A Bonds Sinking Fund, and, with the written permission of the Authority or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2005 A Bonds. Any balance remaining after the payment of the Series 2005 A Bonds and the interest , if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $100,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Revenue 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 $100,000 but not in excess of $200,000, the Issuer shall first, in writing 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 upon public bidding in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Depreciation Fund. The payment of such proceeds into the Depreciation Fund shall not reduce the amounts required to be paid into such fund 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 $200,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2005 A Bonds and the Prior Bonds. All obligations issued by the Issuer after the issuance of the Series 2005 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 2005 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2005 A Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2005 A Bonds and the interest, if any, thereon in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. Additionally, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2005 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the DEP under the conditions and in the manner herein provided (unless less restrictive than the provisions of the Prior Ordinances).

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2005 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of design, acquisition or construction of additions, extensions, betterments or improvements to the System or refunding any outstanding Bonds, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by the Independent Certified Public Accountants reciting the parity coverage required by the Prior Ordinances, so long as the Prior Bonds are outstanding, and thereafter, 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, if any, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest, if any, on the following:

(1) The Bonds then Outstanding;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Bond Legislation then Outstanding; and

(3) The Parity Bonds then proposed to be issued.

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

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

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Series 2005 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2005 A Bonds.

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

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

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

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

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

The Issuer shall file with the Authority and the DEP, or any other original purchaser of the Series 2005 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2005 A Bonds, requesting the same, an annual report containing the following:

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

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto, to the extent legally required, and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a

summary thereof, to any Holder or Holders of the Series 2005 A Bonds and shall submit said report to the Authority and the DEP, or any other original purchaser of the Series 2005 A Bonds. Such audit report submitted to the Authority and the DEP shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

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

The Issuer shall provide the DEP with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in EXHIBIT E of the Loan Agreement or as promulgated from time to time.

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

Section 7.09. Rates. Prior to the issuance of the Series 2005 A Bonds, equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the 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, to comply with the rate coverage required by the Prior Ordinances, so long as the Prior Bonds are outstanding, and thereafter, sufficient (i) to

provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2005 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2005 A Bonds; provided that, in the event the amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2005 A Bonds Reserve Account and any Reserve Accounts for obligations on a parity with the Series 2005 A Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2005 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2005 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services of the System described in Section 7.04 hereof.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the DEP and the Authority within 30 days of adoption thereof. 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 mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance within 30 days of adoption to the Authority and the DEP and to any Holder of the Bonds, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the DEP, the Authority and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement, and forward a copy of such report to the DEP and the Authority by the 10th day of each month.

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

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

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

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

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator to operate the System during the entire term of the Loan Agreement. The Issuer shall notify the DEP in writing of the certified operator employed at the 50% completion stage.

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 20 days after the same shall become due and payable, the user of the services and facilities shall be delinquent until such time as all such rates and charges are fully paid. 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, 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.

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

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2005 A 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 Depreciation Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Depreciation Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

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

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

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

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

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

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

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

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

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

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

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

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the System and has obtained all approvals for the issuance of the Series 2005 A Bonds required by State law, with all appeal periods having expired without successful appeal.

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

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

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 2005 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2005 A Bonds during the term thereof is, under the terms of the Series 2005 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2005 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2005 A Bonds during the term thereof is, under the terms of the Series 2005 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in

respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2005 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2005 A Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% or $5,000,000 of the Net Proceeds of the Series 2005 A Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2005 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2005 A Bonds and the interest thereon, including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest on the Series 2005 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions, or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

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

Section 7.21. Statutory Mortgage Lien. For the further protection of the Registered Owners of the Series 2005 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect upon the delivery of the Series 2005 A Bonds and shall be on a parity with the statutory mortgage lien in favor of the Registered Owners of the Prior Bonds.

Section 7.22. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2005 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP for written approval. The Issuer shall obtain the written approval of the DEP before expending any proceeds of the Series 2005 A Bonds held in "contingency" as set forth in the Schedule attached to the Certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the DEP before expending any proceeds of the Series 2005 A Bonds made available due to bid or construction or project underruns.

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

ARTICLE VIII

INVESTMENT OF FUNDS

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2005 A Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest on the Series 2005 A Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 2005 A Bonds which would cause the Series 2005 A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Series 2005 A Bonds) so that the interest on

the Series 2005 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Tax Certificate and Rebate. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of the Series 2005 A Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2005 A Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, unless otherwise agreed by the Authority, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and shall be used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor. In addition, the Issuer shall cooperate with the Authority in preparing rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer. The Issuer may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 8.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 8.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required,

the Issuer shall pay the required rebate amount, any and all interest, penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, and take any other actions necessary, in order to maintain the exclusion of interest on the Series 2005 A Bonds from gross income for federal income tax purposes.

The Issuer shall furnish to the Authority, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Authority. In addition, the Issuer shall cooperate with the Authority in preparing any required rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer.

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation and certificate with respect thereto or, if the Issuer qualifies for the small governmental issue exception to rebate, or any other exception thereto, then the Issuer shall submit to the Authority a certificate stating that it is exempt from such rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Series 2005 A Bonds subject to rebate. The Issuer shall also furnish to the Authority, at any time, such additional information relating to rebate as may be reasonably requested by the Authority including information with respect to earnings on all funds constituting "gross proceeds" of the Series 2005 A Bonds (as such term "gross proceeds" is defined in the Code).

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 2005 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2005 A Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2005 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2005 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

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

(4) If default occurs with respect to the Prior Bonds or the Prior Ordinances.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 2005 A Bonds shall be on a parity with those of the Holders of the Prior Bonds.

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

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

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project

and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2005 A Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Gross Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2005 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Series 2005 A Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2005 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2005 A Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2005 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 2005 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the respective Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2005 A Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest, if any, on the Series 2005 A Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2005 A Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution or the Series 2005 A Bonds.

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

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

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

Section 11.07. Effective Date. This Ordinance shall take effect immediately following the public hearing and final reading hereof.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in *The Intelligencer*, a newspaper published and of general circulation in the City of Wheeling, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2005 A Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Passed on First Reading: - March 1, 2005

Passed on Second Reading: - March 15, 2005

Passed on Final Reading Following Public Hearing: - April 5, 2005

Mayor

City Manager

Approved and Correct As to Form:

City Attorney

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the City of Wheeling on the 5th day of April, 2005.

Dated: May 3, 2005.

[SEAL]

City Clerk

04/12/05
964250.00019

EXHIBIT A

Loan Agreement included in bond transcript as Document 3.

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), OF THE CITY OF WHEELING; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of the City of Wheeling (the "Issuer") has duly and officially adopted and enacted a bond ordinance, effective April 5, 2005 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $16,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE

BONDS SERIES 2005 A (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Ordinance provides for the issuance of Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), of the Issuer, in an aggregate principal amount not to exceed $16,000,000 (the "Bonds" or "Series 2005 A Bonds"), and has authorized the execution and delivery of the loan agreement relating to the Series 2005 A Bonds, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), all in accordance with Chapter 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

WHEREAS, the Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

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

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

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program) of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $14,500,000. The Series 2005 A Bonds shall be dated the date of delivery thereof, shall finally mature December 1, 2026, and shall bear interest at the rate of 2% per annum. The principal of and interest on the Series 2005 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2007, in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2005 A Bonds. The Series 2005 A Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2005 A Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 1% of the principal amount of the Series 2005 A Bonds set forth in the "Schedule Y" attached to the Loan Agreement.

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

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

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

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

Section 6. The Issuer does hereby appoint and designate Branch Banking and Trust Company, Wheeling, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 2005 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2005 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2005 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2005 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2005 A Bonds shall be deposited in or credited to the Series 2005 A Bond Construction Trust Fund as received from the DEP from time to time for payment of the costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 10. The Mayor and the City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about May 3, 2005, to the Authority pursuant to the Loan Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The Issuer does hereby approve and authorize all contracts relating to the financing, acquisition and construction of the Project.

Section 13. The Issuer hereby determines to invest all monies in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Monies in the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 14. A portion of the Series 2005 Bond proceeds will be paid by the Issuer as follows: $1,325,928.67 will be paid to Progressive Bank, N.A. for credit to the Combined Waterworks and Sewerage System Design Revenue Bond, Series 2003 A and $26,744.33 will be paid to the City, all to cover preliminary costs of the Project and $549,408 will be deposited in the Series 2005 A Bonds Construction Trust Fund to cover future project invoices. All other proceeds of the Series 2005 A Bonds received at closing will be used to pay the invoices approved in the First Draw Resolution adopted April 19, 2005.

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

Adopted this 28th day of April, 2005.

By: _____
Its: Mayor

By: _____
Its: City Manager

Approved and Correct to its Form:

By: _____
Its: City Attorney

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Wheeling on the 28th day of April, 2005.

Dated: May 3, 2005.

[SEAL]

City Clerk

04/21/05
964250.00019

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WHEELING
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2005 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1 $14,500,000

KNOW ALL MEN BY THESE PRESENTS: That on this the 3rd day of May, 2005, the CITY OF WHEELING, a municipal corporation and political subdivision of the State of West Virginia in Ohio and Marshall Counties of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of FOURTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS ($14,500,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2007, as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference, with interest on each installment at the rate per annum set forth on said Exhibit B. The interest and the SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing March 1, 2007, as set forth on Exhibit B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement (the "Loan Agreement") by and among the Issuer, the Authority and the DEP, dated April 20, 2005.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the sewerage portion of the existing public combined waterworks sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public combined waterworks and sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on April 5, 2005, and a Supplemental Resolution duly adopted by the Issuer on April 28, 2005 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S (1) COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2003 A, DATED JANUARY 23, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,940,000; AND (2) COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1997, DATED JANUARY 1, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $20,600,000 (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the Holders of the Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2005 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and 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 Gross Revenues, the monies in the Series 2005 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to comply with the rate coverage required by the ordinances authorizing the Prior Bonds, so long as the Prior Bonds are outstanding, and thereafter, sufficient to provide for the reasonable expenses of operation, repair and maintenance of the

System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that when the Prior Bonds are no longer outstanding and so long as there exists in the Series 2005 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Gross 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, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

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

[SEAL]

Mayor

SPECIMEN

City Manager

ATTEST:

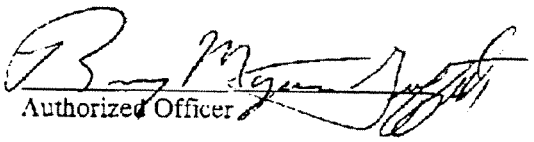
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2005 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: May 3, 2005.

THE HUNTINGTON NATIONAL BANK,
as Registrar



Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$ 2,100,722	May 3, 2005	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $

EXHIBIT B

$14,500,000
City of Wheeling
20 Years, 2% Interest Rate, 1% Administrative Fee
Closing Date: May 3, 2005

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/01/2005	-	-	-	-
09/01/2005	-	-	-	-
12/01/2005	-	-	-	-
03/01/2006	-	-	-	-
06/01/2006	-	-	-	-
09/01/2006	-	-	-	-
12/01/2006	-	-	-	-
03/01/2007	147,857.00	2.000%	72,500.00	220,357.00
06/01/2007	148,596.00	2.000%	71,760.72	220,356.72
09/01/2007	149,339.00	2.000%	71,017.74	220,356.74
12/01/2007	150,086.00	2.000%	70,271.04	220,357.04
03/01/2008	150,836.00	2.000%	69,520.61	220,356.61
06/01/2008	151,591.00	2.000%	68,766.43	220,357.43
09/01/2008	152,349.00	2.000%	68,008.48	220,357.48
12/01/2008	153,110.00	2.000%	67,246.73	220,356.73
03/01/2009	153,876.00	2.000%	66,481.18	220,357.18
06/01/2009	154,645.00	2.000%	65,711.80	220,356.80
09/01/2009	155,418.00	2.000%	64,938.58	220,356.58
12/01/2009	156,196.00	2.000%	64,161.49	220,357.49
03/01/2010	156,977.00	2.000%	63,380.51	220,357.51
06/01/2010	157,761.00	2.000%	62,595.62	220,356.62
09/01/2010	158,550.00	2.000%	61,806.82	220,356.82
12/01/2010	159,343.00	2.000%	61,014.07	220,357.07
03/01/2011	160,140.00	2.000%	60,217.35	220,357.35
06/01/2011	160,940.00	2.000%	59,416.65	220,356.65
09/01/2011	161,745.00	2.000%	58,611.95	220,356.95
12/01/2011	162,554.00	2.000%	57,803.23	220,357.23
03/01/2012	163,367.00	2.000%	56,990.46	220,357.46
06/01/2012	164,183.00	2.000%	56,173.62	220,356.62
09/01/2012	165,004.00	2.000%	55,352.71	220,356.71
12/01/2012	165,829.00	2.000%	54,527.69	220,356.69
03/01/2013	166,659.00	2.000%	53,698.54	220,357.54
06/01/2013	167,492.00	2.000%	52,865.25	220,357.25
09/01/2013	168,329.00	2.000%	52,027.79	220,356.79
12/01/2013	169,171.00	2.000%	51,186.14	220,357.14
03/01/2014	170,017.00	2.000%	50,340.29	220,357.29
06/01/2014	170,867.00	2.000%	49,490.20	220,357.20
09/01/2014	171,721.00	2.000%	48,635.87	220,356.87
12/01/2014	172,580.00	2.000%	47,777.26	220,357.26
03/01/2015	173,443.00	2.000%	46,914.36	220,357.36
06/01/2015	174,310.00	2.000%	46,047.15	220,357.15
09/01/2015	175,181.00	2.000%	45,175.60	220,356.60
12/01/2015	176,057.00	2.000%	44,299.69	220,356.69
03/01/2016	176,938.00	2.000%	43,419.41	220,357.41

Date	Principal	Coupon	Interest	Total P+I
06/01/2016	177,822.00	2.000%	42,534.72	220,356.72
09/01/2016	178,711.00	2.000%	41,645.61	220,356.61
12/01/2016	179,605.00	2.000%	40,752.05	220,357.05
03/01/2017	180,503.00	2.000%	39,854.03	220,357.03
06/01/2017	181,406.00	2.000%	38,951.51	220,357.51
09/01/2017	182,313.00	2.000%	38,044.48	220,357.48
12/01/2017	183,224.00	2.000%	37,132.92	220,356.92
03/01/2018	184,140.00	2.000%	36,216.80	220,356.80
06/01/2018	185,061.00	2.000%	35,296.10	220,357.10
09/01/2018	185,986.00	2.000%	34,370.79	220,356.79
12/01/2018	186,916.00	2.000%	33,440.86	220,356.86
03/01/2019	187,851.00	2.000%	32,506.28	220,357.28
06/01/2019	188,790.00	2.000%	31,567.03	220,357.03
09/01/2019	189,734.00	2.000%	30,623.08	220,357.08
12/01/2019	190,683.00	2.000%	29,674.41	220,357.41
03/01/2020	191,636.00	2.000%	28,720.99	220,356.99
06/01/2020	192,594.00	2.000%	27,762.81	220,356.81
09/01/2020	193,557.00	2.000%	26,799.84	220,356.84
12/01/2020	194,525.00	2.000%	25,832.06	220,357.06
03/01/2021	195,498.00	2.000%	24,859.43	220,357.43
06/01/2021	196,475.00	2.000%	23,881.94	220,356.94
09/01/2021	197,457.00	2.000%	22,899.57	220,356.57
12/01/2021	198,445.00	2.000%	21,912.28	220,357.28
03/01/2022	199,437.00	2.000%	20,920.06	220,357.06
06/01/2022	200,434.00	2.000%	19,922.87	220,356.87
09/01/2022	201,436.00	2.000%	18,920.70	220,356.70
12/01/2022	202,444.00	2.000%	17,913.52	220,357.52
03/01/2023	203,456.00	2.000%	16,901.30	220,357.30
06/01/2023	204,473.00	2.000%	15,884.02	220,357.02
09/01/2023	205,495.00	2.000%	14,861.66	220,356.66
12/01/2023	206,523.00	2.000%	13,834.18	220,357.18
03/01/2024	207,555.00	2.000%	12,801.57	220,356.57
06/01/2024	208,593.00	2.000%	11,763.79	220,356.79
09/01/2024	209,636.00	2.000%	10,720.83	220,356.83
12/01/2024	210,684.00	2.000%	9,672.65	220,356.65
03/01/2025	211,738.00	2.000%	8,619.23	220,357.23
06/01/2025	212,797.00	2.000%	7,560.54	220,357.54
09/01/2025	213,861.00	2.000%	6,496.55	220,357.55
12/01/2025	214,930.00	2.000%	5,427.25	220,357.25
03/01/2026	216,004.00	2.000%	4,352.60	220,356.60
06/01/2026	217,084.00	2.000%	3,272.58	220,356.58
09/01/2026	218,170.00	2.000%	2,187.16	220,357.16
12/01/2026	219,261.00	2.000%	1,096.31	220,357.31
Total	$14,500,000.00	-	$3,128,561.99	$17,628,561.99

*Plus $19,553.52 one-percent administrative fee paid quarterly. Total fee paid over life of loan is $1,564,281.60.

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: _____, _____.

_____

In the presence of:

_____

04/21/05
964250.00019

CITY OF WHEELING, WEST VIRGINIA

COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1995

ORDINANCE

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CITY OF WHEELING

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE CITY'S OUTSTANDING COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1992 B, AND COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1992 C, BOTH DATED MAY 1, 1992, THE ISSUANCE OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1995, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $24,000,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING, TO FUND A RESERVE ACCOUNT FOR SUCH BONDS AND TO PAY COSTS OF ISSUANCE THEREOF; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the City of Wheeling (the "Issuer") currently owns and operates a municipal combined waterworks and sewerage system (the "System"), and has heretofore financed and refinanced the acquisition and construction of certain additions, extensions and improvements thereto by issuance of several series of bonds or refunding bonds, pursuant to Chapter 8, Article 20 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (respectively, the "Act" and the "Refunding Act"), of which there are presently Outstanding the following:

(i) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992 A dated May 1, 1992, originally issued in the aggregate principal amount of $1,925,000, of which $1,555,000 is presently Outstanding (the "Series 1992 A Bonds");

(ii) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992 B, dated May 1, 1992, originally issued in the aggregate principal amount of $8,505,000, of which $7,805,000 is presently Outstanding (the "Series 1992 B Bonds"); and

(iii) Combined Waterworks and Sewerage System Revenue Bonds, Series 1992 C, dated May 1, 1992, originally issued in the aggregate principal amount of $11,550,000, of which $11,250,000 is presently Outstanding (the "Series 1992 C Bonds");

WHEREAS, the Series 1992 A, Series 1992 B and Series 1992 C Bonds (collectively, the "Series 1992 Bonds") were issued concurrently, pursuant to an ordinance and a supplemental resolution of the Issuer enacted on April 7, 1992 and April 21, 1992, respectively, (such ordinance, as so amended and supplemented, collectively herein called the "Prior Ordinance");

WHEREAS, the Issuer is advised that present value interest savings will be realized in the aggregate, from the refunding of the Series 1992 B Bonds and Series 1992 C Bonds;

WHEREAS, the Issuer has accordingly determined to refund the Series 1992 B Bonds and the Series 1992 C Bonds (Collectively herein called the "Prior Bonds") to their first call or redemption date, as set forth in the hereinafter-defined Escrow Agreement, all in the manner set forth herein, with proceeds of the issuance of a series of bonds to be designated "City of Wheeling Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1995" (the "Series 1995 Bonds"), in the maximum aggregate principal amount of $24,000,000, and other moneys of the Issuer;

WHEREAS, the proceeds of the Series 1995 Bonds are to be applied to refunding of the Prior Bonds and the Series 1995 Bonds shall be secured by and payable from the Gross Revenues of the System on a parity with the Series 1992 A Bonds which shall not be refunded but shall remain Outstanding, and the Series 1995 Bonds shall contain such other terms and provisions as are hereinafter provided;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WHEELING HEREBY ORDAINS:

ARTICLE I

DEFINITIONS; STATUTORY AUTHORITY; FINDINGS

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

"Act" means Chapter 8, Article 20 of the West Virginia Code of 1931, as amended and in effect on the date of delivery of the Series 1995 Bonds.

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

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

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

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

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

"Bond Insurer" means any entity which shall insure all or any portion of the payment of principal of and interest on any of the Bonds, and in the event the Series 1995 Bonds are insured, shall initially mean the Bond Insurer set forth in the Supplemental Resolution.

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

"Bond Year" means the 12 month period beginning on June 1 in each year and ending on May 31 in the following year except that the first Bond Year shall begin on the

Closing Date, or such other Bond Year as may from time to time be designated by the Issuer.

"Bonds" means, collectively, the Series 1995 Bonds, the Series 1992 A Bonds and any additional parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

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

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 1995 Bonds, in substantially the form set forth in EXHIBIT A hereto.

"City" or "Issuer" means the City of Wheeling, a municipal corporation of the State of West Virginia, and, where appropriate, the Council, and any successor thereto.

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

"Closing Date" means the date upon which there is an exchange of the Series 1995 Bonds for the proceeds representing the original purchase price thereof.

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

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

"Consulting Engineers" means any qualified engineer or engineers or firm or firms of engineers that shall at any time now or hereafter be retained by the Issuer as Consulting Engineers for the System, and shall initially mean Chester Environmental, Coraopolis, Pennsylvania.

"Costs" or similar terms means all those costs now or hereafter permitted by the Act or the Refunding Act to be financed with bonds issued pursuant hereto, including, without limitation, the costs of refunding the Prior Bonds including payment of redemption premiums and accrued interest thereon, amounts which may be deposited in the Reserve Account; legal expenses; expenses for estimates of costs and revenues, premiums for municipal bond insurance and reserve account insurance, letter of credit fees, fiscal agent fees and expenses, underwriter's discount, initial fees for the services of registrars, paying agents, depositories, trustees or escrow trustees, or other costs in connection with the sale of the Bonds and refunding of the Prior Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, and the performance of the things herein required or permitted, in connection with any thereof.

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

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

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

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

"Depreciation Fund" means the Depreciation Fund created by Section 4.01 hereof.

"DTC-eligible" means, with respect to the Series 1995 Bonds, meeting the qualifications prescribed by the Depository Trust Company, New York, New York.

"Escrow Agreement" means the agreement to be entered into between the Issuer, the Bond Commission and the Escrow Trustee, providing for the defeasance and ultimate payment of the Prior Bonds, the deposit therein of proceeds of the Series 1995 Bonds, the disposition of moneys in the various funds and accounts under the Prior Ordinance and matters in connection therewith, the form of which shall be approved by the Supplemental Resolution.

"Escrow Fund" means the Escrow Fund established in the Escrow Agreement.

"Escrow Trustee" means the escrow trustee under the Escrow Agreement, which shall be appointed pursuant to a resolution supplemental hereto.

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

"FDIC" means the Federal Deposit Insurance Corporation or any successor to the functions of the FDIC.

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

"Government Obligations" means direct and general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury), or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidences of ownership of proportionate interests in future interest and principal payments of such obligations; provided that, investments in such proportionate interests shall be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account separate from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated.

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

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

"Investment Property" means any security (as said term is defined in Section 165(g)(2)(A) or (B) of the Code), obligation, annuity contract or investment-type property, excluding, however, obligations the interest on which is excluded from gross income under Section 103 of the Code, for federal income tax purposes.

"Mayor" means the Mayor of the Issuer.

"Maximum Annual Debt Service" means, at the time of computation, the greatest amount of Debt Service required to be paid on the Bonds for the then current or any succeeding Fiscal Year, assuming that the principal of any Term Bonds is deemed due on the earlier of their stated maturity date or the date on which they are required to be redeemed pursuant to mandatory sinking fund redemption.

"Municipal Bond Insurance Policy" means any municipal bond insurance policy issued by a Bond Insurer simultaneously with the delivery of the Series 1995 Bonds, insuring the payment of the principal of and interest on all or any of the Series 1995 Bonds

in accordance with the terms thereof or any other bond insurance policy which may be issued on behalf of the Issuer to insure payment of the principal of and interest on all or any subsequent series of Bonds.

"Net Proceeds" means the face amount of the Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds deposited in the Reserve Account.

"Net Revenues" means Gross Revenues less Operating Expenses.

"Nonpurpose Investment" means any Investment Property which is acquired with the Gross Proceeds of the Bonds and is not acquired in order to carry out the governmental purpose of the Bonds.

"Operating Expenses," unless qualified, means the current expenses, paid or accrued, of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, fees for the provider of a Reserve Account Letter of Credit, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions, betterments or improvements for the System), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Escrow Trustee, Registrar and Paying Agent or Paying Agents, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Prior Bonds or the Bonds, charges for depreciation, losses from the sale or other disposition of or any decrease in the value of capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Operation and Maintenance Fund" means the Operation and Maintenance Fund created by Section 4.01.

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

"Original Purchaser" means collectively, Legg Mason Wood Walker, Inc. and Hazlett, Burt & Watson, Inc., as the purchasers of the Series 1995 Bonds directly from the Issuer, or, if the Issuer and such Original Purchaser do not agree to the purchase of the Series 1995 Bonds with interest rates and other terms allowable under the Act, such other person or persons, firm or firms, bank or banks, corporation or corporations or such other entity or entities as shall purchase the Series 1995 Bonds directly from the Issuer, as determined by a resolution supplemental hereto; provided, that the Original Purchaser and the Issuer shall agree to the purchase of the Series 1995 Bonds, as hereinafter defined,

including the exact principal amount thereof and interest rate or rates thereon as fixed by said supplemental resolution to be adopted by the Council at the time of approval of such sale of said Series 1995 Bonds.

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

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

"Prior Bonds" shall mean, collectively, the Series 1992 B Bonds and the Series 1992 C Bonds.

"Prior Ordinance" shall have the meaning set forth in the recitals hereto.

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

"Project" shall have the meaning set forth in the Recitals hereof.

"Qualified Investments" means and includes any of the following (or such other investments as shall be set forth in the Supplemental Resolution):

A. Government Obligations.

B. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies provided such obligations are backed by the full faith and credit of the United States of America:

1. U.S. Export-Import Bank

Direct obligations or fully guaranteed certificates of beneficial ownership

2. Farmers Home Administration ("FmHA")
Certificates of beneficial ownership

3. Federal Financing Bank

4. Federal Housing Administration ("FHA") Debentures

5. General Services Administration
Participation certificates

6. Government National Mortgage Association ("GNMA")
GNMA - guaranteed mortgage-backed bonds
GNMA - guaranteed pass-through obligations

7. U.S. Maritime Administration
Guaranteed Title XI financing

8. U.S. Department of Housing and Urban Development ("HUD")
Project Notes
Local Authority Bonds
New Communities Debentures - U. S. Government guaranteed debentures

9. U. S. Public Housing Notes and Bonds
U. S. government public housing notes and bonds

C. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U. S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

1. Federal Home Loan Bank System
Senior debt obligations

2. Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac")
Participation certificates
Senior debt obligations

3. Federal National Mortgage Association ("FNMA" or "Fannie Mae")
Mortgage-backed securities and senior debt obligations

4. Student Loan Marketing Association
Senior debt obligations

5. Resolution Funding Corp. ("REFCORP") obligations

D. Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of AAAm-G; AAAm; or AAm.

E. Certificates of deposit secured at all times by collateral described in (A) and/or (B) above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks. The collateral must be held by a third party and the Bondholders must have a perfected first security interest in the collateral.

F. Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC.

G. Investment Agreements, including guaranteed investment contracts, acceptable to applicable Bond Insurers.

H. Commercial paper rated, at the time of purchase, "Prime - 1" by Moody's or "A-1" or better by S&P.

I. Bonds or notes issued by any state or municipality which are rated by Moody's or S&P in one of the two highest rating categories assigned by such agencies.

J. Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime - 1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P.

K. Repurchase agreements that provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the City (buyer/lender), and the transfer of cash from a municipal entity to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the municipal entity in exchange for the securities at a specified date.

Such Repurchase Agreements must satisfy the following criteria or be approved by the applicable Bond Insurer:

1. Repurchase Agreements must be between the City entity and a dealer bank or securities firm

(i) Primary dealers on the Federal Reserve reporting dealer list, or

(ii) Banks rated "A" or above by S&P and Moody's.

2. The written Repurchase Agreement contract must include the following:

(i) Securities which are acceptable for transfer are:

(1) Direct U.S. government obligations, or

(2) Securities of Federal agencies backed by the full faith and credit of the United States of America

(ii) The term of the Repurchase Agreement may be up to 30 days

(iii) The collateral must be delivered to the municipal entity, the trustee (if the trustee is not supplying the collateral) or third party acting as agent for the trustee (if the trustee is supplying the collateral) before or simultaneous with payment (perfection by possession of certificated securities).

(iv) Valuation of Collateral

(1) The securities must be valued weekly, marked-to-market at current market price plus accrued interest

(a) The value of collateral must be equal to 104% of the amount of cash transferred by the City to the dealer bank or security firm under the Repurchase Agreement plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by the City, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FMAC, then the value of collateral must equal 105%.

L. Any State-administered pool investment fund in which the Issuer is statutorily permitted or required to invest.

M. Reserve Fund investments shall be valued at cost if maturity is one year or less, and shall be valued at fair market value and marked-to-market annually if maturity is longer than one year. In no event shall investments have maturities extending beyond 3 years.

N. Other forms of investments approved in writing by the appropriate Bond Insurer with notice to S&P and Moody's.

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

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

"Redemption Account" means the Redemption Account created in the Sinking Fund by Section 4.02 hereof.

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

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

"Refunding Act" means Chapter 13, Article 2E of the West Virginia Code of 1931, as amended and in effect on the date of delivery of the Series 1992 Bonds.

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

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

"Reserve Account" means the Reserve Account created in the Sinking Fund by Section 4.02 hereof.

"Reserve Account Requirement" means, as of any date of calculation, Maximum Annual Debt Service on the applicable series of Bonds.

"Revenue Fund" means the City of Wheeling Combined Waterworks and Sewerage System Bonds Revenue Fund created by Section 4.01 hereof.

"Series 1995 Bonds" means the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1995, of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 1992 A Bonds" means the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992 A, of the Issuer, originally authorized to be issued pursuant to the Prior Ordinance.

"Series 1992 B Bonds" means the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992 B, of the Issuer, originally authorized to be issued pursuant to the Prior Ordinance.

"Series 1992 C Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 1992 C, of the Issuer, originally authorized to be issued pursuant to the Prior Ordinance.

"Series 1992 Bonds" means, collectively, the Series 1992 A Bonds, the Series 1992 B Bonds and the Series 1992 C Bonds.

"Sinking Fund" means the Sinking Fund created by Section 4.02 hereof.

"Supplemental Resolution" means any ordinance or resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution authorizing the sale of the Series 1995 Bonds to the Original Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Gross Revenues remaining after all payments required to be made pursuant to Section 4.03(1), (2), (3) and (4) have first been paid.

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

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

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

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

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

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

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

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

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

B. The Issuer now owns and operates the System as a municipal combined waterworks and sewerage system under the Act, the acquisition and construction of which have been financed and refinanced in part by the proceeds of the Series 1992 Bonds which are currently Outstanding in the aggregate principal amount of $20,610,000 and other bonds which have either been refunded by the Series 1992 Bonds or are no longer Outstanding.

C. The Issuer derives revenues from the System. Revenues of the System of the Issuer are currently pledged for payment of the Series 1992 Bonds. Except for such pledges thereof to secure and pay the Series 1992 Bonds, said revenues are not pledged or encumbered in any manner.

D. The Issuer intends to issue the Series 1995 Bonds, and to pledge for payment thereof, on a parity with the pledge thereof for the Series 1992 A Bonds, the Gross Revenues of the System.

E. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient, upon refunding and defeasance of the Prior Bonds, to provide for the repair, maintenance and operation of the System, the payment of interest upon all Bonds issued pursuant to the Act and to create a sinking fund, as hereinafter provided, to pay the principal thereof as and when it becomes due and reasonable reserves therefor, to provide an adequate depreciation fund, as hereinafter provided, and to make all other payments provided for in this Ordinance.

F. Based upon the assumed principal amount, maturity schedule and interest rates for the Series 1995 Bonds presented to the Issuer by the Original Purchaser, and after making allowance for the use of cash on hand of the Issuer, the Series 1995 Bonds show a net present value saving to the Issuer after deducting all expenses of the refunding and the costs of issuing the Series 1995 Bonds.

G. The Issuer shall not sell the Series 1995 Bonds without setting forth in the Supplemental Resolution the determination set forth in paragraph F, above, based upon the actual principal amount, maturity schedule and interest rates for the Series 1995 Bonds, and the Issuer shall not issue the Series 1995 Bonds without having obtained from an independent certified public accountant a certification that the amount of savings stated to be achieved by the refunding shall in fact be saved, based upon its review, comparison and analysis of the net interest cost in dollars of the Series 1995 Bonds and the net interest cost in dollars of the Prior Bonds.

H. Subject to the determination and certification required by paragraph G above, it is in the best interests of the Issuer, and the residents thereof, that the Issuer issue the Series 1995 Bonds and secure the Series 1995 Bonds by a pledge and assignment of the Gross Revenues derived from the operation of the System, the moneys in the Reserve Account, unexpended proceeds of the Series 1995 Bonds and as further set forth herein.

I. The Issuer has complied with all requirements of West Virginia law relating to authorization of the ownership and operation of the System and issuance of the Series 1995 Bonds or will have so complied prior to issuance of any thereof.

J. The Series 1995 Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the form set forth in EXHIBIT A, attached hereto and incorporated herein by reference, with necessary and appropriate variations, omissions and insertions as permitted or required by this Ordinance or a Supplemental Resolution or as deemed necessary by the Registrar or the Issuer.

K. All things necessary to make the Series 1995 Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the Series 1995 Bonds, will be timely done and duly performed.

L. The enactment of this Ordinance, and the execution and issuance of the Series 1995 Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the Bonds by those who shall own or hold the same from time to time, this

Ordinance shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Holders of any and all of such Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF REFUNDING OF THE PRIOR BONDS

Section 2.01. Authorization of Refunding of Prior Bonds. All Prior Bonds Outstanding as of the date of issuance of the Series 1995 Bonds, in the aggregate principal amount of $19,055,000 are hereby ordered to be refunded pursuant to the terms of the Escrow Agreement. The pledge of Gross Revenues in favor of the Holders of the Prior Bonds imposed by the Prior Ordinance, the moneys in the funds and accounts created by the Prior Ordinance and any other funds pledged by the Prior Ordinance thereto are hereby ordered terminated, discharged and released upon the payment into the Escrow Fund from the proceeds of the Series 1995 Bonds and from other moneys available therefor, of the following: (a) if required by the Escrow Agreement, an amount equal to the fiscal and paying agent charges and the Escrow Trustee charges to become due and payable in connection with the Prior Bonds and (b) an amount which will be simultaneously invested in Government Obligations bearing interest and having maturities sufficient, together with certain cash which may also be deposited, to provide for the payment of the principal of, redemption premium, if any, and interest on the Prior Bonds as the same become due, to the first redemption date thereof, being June 1, 2002, and on such date, to pay the Redemption Price of the Prior Bonds, all as prescribed by the Escrow Agreement. Contemporaneously with the deposit of such Series 1995 Bonds proceeds and other moneys into the Escrow Fund, the amount on deposit in the sinking funds, including the reserve accounts therein, and all other funds and accounts created and maintained on behalf of the Prior Bonds shall be deposited in the Escrow Fund, the Reserve Account or such other fund or account as shall be set forth in the Escrow Agreement or in the Supplemental Resolution, and invested as provided therein.

ARTICLE III

THE BONDS

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

The principal of and the premium, if any, on the Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Bonds shall be paid by check or draft made payable and mailed to the Holder thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of $500,000 or more of the Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

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

Section 3.02. Execution of Bonds. The Bonds shall be executed in the name of the Issuer by the Mayor and the City Manager, by their respective manual or facsimile signatures, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Clerk by his or her manual or facsimile signature; provided, that, all such signatures and the seal may be by facsimile. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the City by such person as at the actual time of the

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

Section 3.03. Authentication and Registration. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Ordinance unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in EXHIBIT A, attached hereto and incorporated herein by reference with respect to the Series 1995 Bonds, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Ordinance. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Registrar if signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

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

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

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

In all cases in which the privilege of transferring or exchanging a Bond is exercised, Bonds shall be delivered in accordance with the provisions of this Ordinance.

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

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

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

Section 3.06. Term Bonds. In the event Term Bonds are issued pursuant to this Ordinance, the following provisions shall apply:

A. The amounts to be deposited, apportioned and set apart by the Issuer from the Revenue Fund and into the Redemption Account in accordance with Subsection 4.03(A)(2) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 13 months prior to the first

mandatory redemption date of said Term Bonds, a sum equal to 1/12th of the amount required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next ensuing mandatory redemption date, which amounts and dates, if any, with respect to a series of Bonds shall be set forth in the Supplemental Resolution relating thereto.

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

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

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

E. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the redemption date (interest to be paid from the Sinking Fund), as will exhaust as nearly as practicable such Redemption Account payment designated to be made in accordance with paragraph (A) of this section. Such redemption shall be by random

selection made on the 45th day preceding the mandatory redemption date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of $5,000.

Section 3.07. Notice of Redemption. Unless waived by any Holder of the Bonds to be redeemed, official notice of any redemption of Bonds shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the applicable Bond Insurer, the Original Purchaser, and the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

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

(1) The redemption date,

(2) The redemption price,

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

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

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

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

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

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with

said notice, such Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

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

In addition to the foregoing notice, further notice as set out below shall be given by the Registrar, at the instruction of the Issuer, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

(1) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each bond being redeemed; (iv) the maturity date of each bond being redeemed; and (v) any other descriptive information needed to identify accurately the Bonds being redeemed.

(2) Each further notice of redemption shall be sent at least 35 days before the redemption date by registered or certified mail or overnight delivery service to the Bond Buyer, of New York, New York, and all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being Depository Trust Company of New York, New York, Midwest Securities Trust Company of Chicago, Illinois, Pacific Securities Depository Trust Company of San Francisco, California and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania).

(3) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

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

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

Section 3.10. Issuance of Series 1995 Bonds. A. For the purposes of refunding all of the Outstanding Prior Bonds of the Issuer, funding a reserve account for the Series 1995 Bonds and paying costs in connection with such refunding and the issuance of such Series 1995 Bonds, or any of the above purposes, there shall be issued the Series 1995 Bonds of the Issuer, in an aggregate principal amount of not more than $24,000,000. The Series 1995 Bonds shall be designated "Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1995" and shall be issued in fully registered form, in the denomination of $5,000 or any integral multiple thereof for any year of maturity, not exceeding the aggregate principal amount of Series 1995 Bonds maturing in the year of maturity for which the denomination is to be specified. The Series 1995 Bonds shall be numbered from R-1 consecutively upward. The Series 1995 Bonds shall be dated; shall be in such aggregate principal amount; shall bear interest at such rate or rates, not exceeding the then legally permissible rate, payable semiannually on such dates; shall mature on such dates and in such amounts; shall be subject to such redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Delivery of Series 1995 Bonds. The Issuer shall execute and deliver the Series 1995 Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 1995 Bonds to the Original Purchaser upon receipt of the documents set forth below:

(A) A list of the names in which the Series 1995 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;

(B) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 1995 Bonds to the Original Purchaser;

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

(D) The unqualified approving opinion upon the Series 1995 Bonds by Bond Counsel.

Section 3.12. Form of Series 1995 Bonds. The Series 1995 Bonds shall be substantially in the form set forth in "EXHIBIT A - FORM OF SERIES 1995 BOND"; attached hereto and incorporated herein by reference, with such appropriate variations, omissions and insertions as are permitted or required by this Ordinance or the Supplemental Resolution or as are deemed necessary by the Registrar and the Issuer, including any variations necessary to render the Series 1995 Bonds DTC-eligible.

Section 3.13. Disposition of Proceeds of Series 1995 Bonds. A. Upon the issuance and delivery of the Series 1995 Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

(i) All interest accrued on the Series 1995 Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 1995 Bonds Subaccount in the Sinking Fund and applied to payment of interest on the Series 1995 Bonds.

(ii) The amount of the Series 1995 Bond proceeds which, together with other moneys or securities deposited therein and the earnings thereon, shall be sufficient to accomplish the refunding of the Prior Bonds (which amount shall be set forth in the Escrow Agreement) shall be deposited in the Escrow Fund.

(iii) The amount of Series 1995 Bond proceeds, together with other moneys or securities deposited therein equal to the Series 1995 Bonds Reserve Account Requirement shall be remitted to the Bond Commission for deposit in the Series 1995 Bonds Subaccount in the Reserve Account.

(iv) The balance of the proceeds of the Series 1995 Bonds shall be deposited with the Depository Bank in the 1995 Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of

issuance of the Series 1995 Bonds and miscellaneous costs of refunding the Prior Bonds. Moneys not to be applied immediately to pay such costs of issuance and refunding may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 90 days of the Closing Date, such unapplied proceeds shall thereupon be transferred by the Issuer and deposited in the Sinking Fund. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such moneys until so applied in favor of the Holders of the Series 1995 Bonds from which such proceeds are derived.

ARTICLE IV

SYSTEM REVENUES; FUNDS AND ACCOUNTS

Section 4.01. Establishment of Funds and Subaccounts with Depository Bank. Pursuant to this Article IV, the following special funds and subaccounts are created (or continued, if previously created by the Prior Ordinance) with, and shall be held by, the Depository Bank, segregated from all other funds and accounts of the Depository Bank or the Issuer and from each other, (except as set forth in this Section 4.01) and used solely for the purposes provided herein:

(A) Revenue Fund;

(B) Depreciation Fund;

(C) Operation and Maintenance Fund;

(D) Costs of Issuance Fund; and

(E) Rebate Fund.

Moneys in such Funds may be commingled and aggregated by the Depository Bank if so directed by the Issuer, for purposes of investment of such funds, but separate accounting shall be maintained for each such fund.

Section 4.02. Establishment of Funds, Accounts and Subaccounts with Bond Commission. Pursuant to this Article IV, the following special funds, accounts and subaccounts are hereby established (or continued, if previously created by the Prior Ordinance) with and shall be held by the Bond Commission:

(A) Sinking Fund, and within the Sinking Fund:

(a) Series 1992 A Bonds Subaccount; and

(b) Series 1995 Bonds Subaccount.

(i) Reserve Account, and within the Reserve Account:

(a) Series 1992 A Bonds Subaccount; and

(b) Series 1995 Bonds Subaccount.

(ii) Redemption Account, and within the Redemption Account:

(a) Series 1992 A Bonds Subaccount; and

(b) Series 1995 Bonds Subaccount.

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

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

(1) The Issuer shall first, from the moneys in the Revenue Fund, on the first day of each month, apportion and set apart out of the Revenue Fund and remit to the Bond Commission, for deposit in the Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Bonds on the next ensuing semiannual interest payment date, provided, that in the event the period to elapse between the date of such initial deposit in the Sinking Fund and the next ensuing semiannual interest payment date is greater or less than 7 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date, and provided further, that the initial amount required to be transferred from the Revenue Fund and deposited in the Sinking Fund shall be reduced by the amount of accrued interest on the Series 1995 Bonds deposited therein and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Sinking Fund shall be reduced by the amount of any earnings credited to the Sinking Fund.

The Issuer shall also apportion and set apart out of the Revenue Fund and remit to the Bond Commission for deposit in the Sinking Fund, and in the Redemption Account therein in the case of Term Bonds which are to be redeemed, on the first day of each month, beginning on the first day of that month which is 13 months prior to the first principal payment or mandatory redemption date of the Bonds, a sum equal to 1/12th of the amount of principal which will mature or be redeemed and become due on the Bonds on the next ensuing principal payment or mandatory redemption date, provided, that in the event the period to elapse between the date of such initial deposit

in the Sinking Fund and the next ensuing principal payment or mandatory redemption date is greater or less than 13 months, then such monthly payments shall be decreased or increased proportionately to provide, one month prior to the next ensuing principal payment date or mandatory redemption date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Sinking Fund and not previously credited pursuant to the preceding paragraph.

Moneys in the Sinking Fund shall be used only for the purposes of paying principal of and interest on the Bonds, whether by maturity or redemption prior to maturity and, with respect to the Reserve Account therein, any amounts necessary to fund the Reserve Account to maintain the Reserve Account Requirement or any reimbursement which may be payable under a financial guaranty agreement, if applicable. Pending such use, such moneys shall be invested in accordance with Article V.

The Issuer shall not be required to make any further payments into the Sinking Fund when the aggregate amount of funds in the Sinking Fund, including the Reserve Account therein, is at least equal to the aggregate principal amount of Bonds issued pursuant to this Ordinance then Outstanding, plus the amount of interest due or thereafter to become due on the Bonds then Outstanding, plus any amount which may be then payable pursuant to a Financial Guaranty Agreement.

As and when additional Bonds ranking on a parity with the Series 1995 Bonds are issued, provision shall be made for additional deposits into the Reserve Account sufficient to maintain the Reserve Account Requirement in accordance with the provisions hereof.

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

(2) The Issuer shall next, from the moneys remaining in the Revenue Fund each month, transfer from the Revenue Fund and deposit in the Operation and Maintenance Fund an amount sufficient to pay current Operating Expenses of the System.

(3) The Issuer shall next, from the moneys remaining in the Revenue Fund each month, apply such moneys, to the full extent necessary, for deposit

into the Reserve Account, as a result of a decrease in value of the Reserve Account below the Reserve Account Requirement or any withdrawal from the Reserve Account, beginning with the first full calendar month following the date on which (i) the valuation of investments in the Reserve Account results in a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Reserve Account is less than the Reserve Account Requirement, or (ii) any amount is withdrawn from the Reserve Account for deposit into the Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefor, the amount so deposited shall be sufficient, and shall be used to restore the amount of cash or securities on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement; provided, that no payments shall be required to be made into the Reserve Account whenever and as long as the amount deposited therein shall be equal to the Reserve Account Requirement.

In the event that moneys in the Revenue Fund are insufficient to replenish the Reserve Account to a value equal to the Reserve Account Requirement, the Issuer shall transfer moneys from the Depreciation Fund to the extent necessary for such purpose, provided, that the Issuer shall not be required to restore such deficiency when the aggregate amount of funds in the Sinking Fund, including the Reserve Account therein, is at least equal to the aggregate amount of Bonds issued pursuant to this Ordinance then Outstanding, plus the amount of interest due or thereafter to become due on said Bonds then Outstanding.

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

(4) The Issuer shall next, from the moneys remaining in the Revenue Fund, on the first day of each month commencing with the first month in which interest shall be payable from the Revenue Fund, transfer to the Depreciation Fund a sum equal to not less than 5% of the Gross Revenues each month, exclusive of any payments for the account of the Reserve Account in the Sinking Fund. No further payments shall be required to be made into the Depreciation Fund when there shall have been deposited therein, and so long as there shall remain on deposit therein, the sum of $1,000,000.

Withdrawals and disbursements may be made by the Issuer from the Depreciation Fund only for the following purposes and in the following order of priority:

(a) To make up any deficiency in the Reserve Account (so that the amount on deposit therein is at least equal to the Reserve Account Requirement);

(b) For the payment of the principal (including the principal amount to be paid under the mandatory redemption schedules) of or interest on the Bonds, but only in the event that at the time of such withdrawal there are not sufficient funds for such purpose in the Sinking Fund (including the Reserve Account);

(c) For the payment of the reasonable costs of land and depreciable renewals, repairs, extensions, improvements and additions to the System;

(d) Upon resolution of the Issuer, moneys in the Depreciation Fund in excess of $1,000,000 may be transferred by the Issuer to the Redemption Account and used for optional redemption or for purchase of Bonds. In the event of purchase of Bonds, the Issuer may direct the purchase of Bonds offered for sale at the lowest price below the redemption price of such Bonds.

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

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

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

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

D. Principal and interest payments, and any payments made for the purpose of funding the Reserve Account, shall be made on a parity basis and pro-rata, with respect to the Series 1995 Bonds, the Series 1992 A Bonds and any other parity Bonds hereinafter issued, in accordance with the respective principal amounts of each such Series of Bonds then Outstanding, if less than the full amount required hereby.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE; REBATES OF EXCESS INVESTMENT EARNINGS

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

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

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

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

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

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal from the Reserve Account, whereupon it shall be valued immediately after such withdrawal. If amounts on deposit in the Reserve Account shall, at any time, be less than the

applicable Reserve Requirement, the applicable Bond Insurer, if any, shall be notified immediately of such deficiency, and such deficiency shall be made up from the first available Revenues after required deposits to the Sinking Fund and otherwise in accordance with Section 4.03(3).

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

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

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

Section 5.03. Tax Certificate. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of any series of Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 1995 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.

Section 5.04. Rebate Calculation. The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation. The Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources.

Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be in time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor. The Issuer at its expense, may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 5.04. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.04 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants of the Issuer. All the covenants, agreements and provisions of this Ordinance shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Bonds, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Ordinance, the Issuer hereby covenants and agrees with the Holders of the Bonds, as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of said Bonds or the interest thereon, are Outstanding and unpaid.

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

Section 6.03. Bonds Secured by Pledge of Gross Revenues and Moneys in Sinking Fund. The payment of the debt service of all of the Bonds issued hereunder shall be secured forthwith equally and ratably by a parity first lien on the Gross Revenues derived from the operation of the System and all moneys in the Sinking Fund, including the Reserve Account therein, to the extent necessary to make the payments required under Section 4.03. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Bonds herein authorized, and to make the payments into the Sinking Fund, all moneys and securities in the Sinking Fund, including the Reserve Account therein, and all other payments provided for in this Ordinance, are hereby irrevocably pledged in the manner provided in this Ordinance to the payment of the principal of and interest on the Bonds herein authorized, on a parity basis, as the same become due and for the other purposes provided in this Ordinance.

Section 6.04. Rates. Prior to the issuance of the Series 1995 Bonds, just and equitable rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to make the prescribed payments into the funds and accounts created hereunder. Such schedule or schedules of rates and charges shall be

revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule or schedules of rates or charges from time to time in effect shall be sufficient at all times to produce Net Revenues equal to not less than the sum of (i) 125% of the Maximum Annual Debt Service on the Bonds in any Fiscal Year, and (ii) the amount, if any, required to be deposited in the Reserve Account in order to satisfy the Reserve Account Requirement within a period of not more than 12 months, assuming equal payments are made each month. All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System. For purposes of this test, the terms "Gross Revenues" and "Net Revenues" shall not include proceeds from the sale of capital assets.

The Issuer hereby covenants to commence enactment of such rate ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 30 days following a determination by the independent Consulting Engineers pursuant to their written report prepared in compliance with Section 6.10 hereof that less than the above-required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

Section 6.05. Operation and Maintenance. The Issuer will maintain the System in good condition and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the Revenues of said System in the manner provided in this Ordinance.

Section 6.06. Sale of the System. The System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to defease the pledge created by this Ordinance as provided by Section 9.01. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to Bond Commission for deposit in the Sinking Fund, and otherwise as prescribed by Section 9.01. Any balance remaining after such defeasance shall be remitted to the Issuer by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the Revenues of the System.

The foregoing provision notwithstanding, the 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 is not in excess of $100,000, the Issuer shall, in writing, determine that such property comprising a part of the

System is no longer necessary, useful or profitable in the operation thereof, and the Issuer may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Revenue Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $100,000 but not in excess of $200,000, the Issuer shall first, in writing, determine with the written approval of the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Council may then, if it be so advised, by resolution duly adopted, approve and concur in such finding and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $100,000 and not in excess of $200,000, shall be deposited by the Issuer into the Depreciation Fund. Such payments of such proceeds into the Depreciation Fund or the Redemption Account shall reduce the amounts required to be paid into said funds by other provisions of this Ordinance.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of $200,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 60% in amount of Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except additional parity Bonds provided for in Section 6.08 hereof, payable from the Revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from the Gross Revenues with the Bonds; and all obligations hereafter issued by the Issuer payable from the Revenues of the System, except such additional Bonds, shall contain an express statement that such obligations are junior and subordinate as to lien on and source of and security for payment from such Revenues and in all other respects to the Bonds.

The Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or, except with respect to such additional parity Bonds, being on a parity with the lien of the Bonds, and the interest thereon, upon any of the income and Revenues of the System pledged for payment of the Bonds and the interest thereon in this Ordinance or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. No additional parity Bonds, as in this section defined, payable out of the Revenues of the System shall be issued after the

issuance of any Bonds pursuant to this Ordinance, except under the conditions and in the manner herein provided.

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

No such additional parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Clerk of the Issuer a written statement by Independent Accountants, reciting the conclusion that the Net Revenues actually derived, from the System during the Fiscal Year preceding the date of the actual issuance of such additional parity Bonds, plus the increased annual Net Revenues expected to be received after the date of issuance of such parity Bonds shall not be less than 125% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

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

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

The "increased annual Net Revenues expected to be received," 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 any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the date of delivery of such additional parity Bonds, and shall not exceed the amount to be stated in the aforementioned certificate of Independent Accountants, which shall be filed in the office of the Clerk of the Issuer prior to the issuance of such additional parity Bonds. For purposes of this test, the terms "Gross Revenues" and "Net Revenues" shall not include proceeds from the sale of capital assets.

The term "additional parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Series 1995 Bonds, and the Series 1992 A Bonds and all the covenants and other provisions of this Ordinance (except as to details of such additional parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Series 1995 Bonds and the Series 1992 A Bonds, and the Holders of any additional parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Gross Revenues of the System, and their source of and

security for payment from said Gross Revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Ordinance required for and on account of such additional parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Ordinance.

No additional parity Bonds shall be valid unless authenticated pursuant to Section 3.03. Prior to such authentication, registration, if applicable, and delivery, the Registrar shall receive those documents prescribed by Section 3.11 with respect to the Series 1995 Bonds, modified as deemed necessary by the Registrar to reflect the issuance of such additional parity Bonds.

The term "additional parity Bonds," as used in this section, shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien on the Revenues of the System of which is subject to the prior and superior lien of the Bonds on such Revenues. Any such subordinate bonds, notes, certificates or other obligations shall be payable from Surplus Revenues. The Issuer shall not issue any obligations whatsoever payable from the Gross Revenues of the System, or any part thereof, which rank prior to or equally, as to lien and source of and security for payment from such Gross Revenues, with the Bonds except in the manner and under the conditions provided in this section.

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

Notwithstanding the foregoing, the Issuer may issue additional parity Bonds without compliance with any other conditions for the purpose of refunding prior to maturity any series of the Bonds or portion thereof, provided that the annual debt service required on account of the refunding Bonds and the Bonds which are not refunded shall not be greater in any year in which the Bonds not refunded and the refunding Bonds are to be Outstanding than the annual debt service required in such year if the Bonds to be refunded were not so refunded.

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

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the

System in an amount equal to the greater of the fair appraised value or the original cost thereof. In the event of any damage to or destruction of any portion of the System, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damages or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

B. PUBLIC LIABILITY INSURANCE, with limits of not less than is customarily carried by municipalities of equivalent size with respect to works and properties similar to the System to protect the Issuer from claims for bodily injury and/or death and 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, provided that, the Issuer, with the review of an insurance consultant, may elect to self-insure. If the Issuer determines in good faith that any required insurance is not commercially available at a reasonable cost with reasonable terms, it shall engage an insurance consultant to verify the determination and to make recommendations regarding the types, amounts and provisions of any such insurance that should be purchased or funded by the Issuer, taking into consideration the costs and practices of other municipal water and sewer systems of similar size and type in the State to the extent that such information is available. The Issuer may, upon resolution adopted in good faith and upon the recommendations of the insurance consultant, adopt alternate or supplemental risk management programs which the Issuer determines to be reasonable, including the right to self-insure and participate in captive insurance companies.

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

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

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

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

Section 6.10. Report of Consulting Engineers. The Issuer shall, at least once each year retain recognized qualified independent Consulting Engineers to review the operation, maintenance and repair of the System and to report to the Issuer in writing their recommendations and comments pertaining to the System, including the rate coverage of the System for each Fiscal Year. Such annual report of the Consulting Engineers, or a summary thereof, shall be made available, upon request, to the Original Purchaser, any Bond Insurer and any Bondholder.

Section 6.11. Services Rendered to the Issuer. The Issuer will not render or cause to be rendered any free services of any nature by its System; and, in the event the Issuer or any department, agency, instrumentality, officer or employee thereof shall avail himself of the facilities or services provided by the System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. Such charges shall be paid as they accrue, and the Issuer shall transfer from its general funds sufficient sums to pay such charges for service to any of its departments or properties. The revenues so received shall be deemed to be Gross Revenues derived from the operation of the System and shall be deposited and accounted for in the same manner as other Gross Revenues derived from such operation of the System.

Section 6.12. 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 and to the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent rates, rentals and other charges, if not paid, shall become a lien on the premises served by the System. The Issuer 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 and facilities of the System or waterworks portion thereof, to all delinquent users of services and facilities of the System and will not restore such services of the System (or waterworks portion thereof) until all billing for charges for the services and facilities of the System, plus reasonable interest penalty charges for the restoration of service, has been fully paid.

Section 6.13. 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 or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

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

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

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

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

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

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

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

Section 6.15. Operating Budget. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, or at such earlier date required by the charter of the Issuer, prepare and adopt by resolution a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding Fiscal Year. 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 mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Original Purchaser and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Original Purchaser, any Bond Insurer and any Bondholder or anyone acting for and in behalf of such Bondholder who requests the same.

Section 6.16. Mandatory Sewer Connections. The mandatory use of the sewerage services 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 City of Wheeling and in order to assure the rendering harmless of sewage and waterborne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the sewerage services of the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by sewerage services of the System, and every such owner, tenant or occupant shall, after a 30 day notice of the availability of sewerage services of the System, pay the rates and charges established therefor.

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

Section 6.17. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Bonds are used for Private Business Use

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

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

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

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

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

Section 6.18. Municipal Bond Insurance Policy. The Issuer may apply for a Municipal Bond Insurance Policy for the Series 1995 Bonds and subsequent series of Bonds. In the event a Municipal Bond Insurance Policy is obtained for any series of Bonds, additional covenants and provisions relating to such series of Bonds as may be required by the applicable Bond Insurer as a condition to insuring such Bonds shall be set forth in a

Supplemental Resolution and shall be controlling in the event any other provisions of this Ordinance may be in conflict therewith.

ARTICLE VII

DEFAULTS AND REMEDIES

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

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

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

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

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

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

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

(C) Bring suit upon the Bonds;

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

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

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

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

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

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

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

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and the

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

Notwithstanding any other provision of this Ordinance, in determining whether the rights of the Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of this Ordinance, any trustee or Bondholder's committee shall consider the effect on the Bondholders as if no Municipal Bond Insurance Policy were then in effect.

Section 7.04. 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 VIII

REGISTRAR, PAYING AGENT AND DEPOSITORY BANK

Section 8.01. Appointment of Registrar, Paying Agent and Depository Bank. The Registrar, Paying Agent and Depository Bank (collectively, the "Fiduciaries") for the Series 1995 Bonds shall be appointed pursuant to the Supplemental Resolution. The City Manager of the Issuer is hereby authorized and directed to enter into an agreement with the Fiduciaries, the substantial form of which agreement is to be approved by Supplemental Resolution.

Section 8.02. Responsibilities of Fiduciaries. The recitals of fact in the Bonds shall be taken as statements of the Issuer, and the Fiduciaries shall not be responsible for their accuracy. The Fiduciaries shall not be deemed to make any representation as to, and shall not incur any liability on account of, the validity of the execution of any Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication on the Bonds. The Fiduciaries and any successor thereto shall agree to perform all the duties and responsibilities spelled out in this Ordinance and any other duties and responsibilities incident thereto, all as provided by said agreement described in Section 8.01.

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

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

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

not any such committee shall represent the Holders of a majority in principal amount of the Bonds Outstanding.

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

Section 8.07. Removal. The Registrar may be removed at any time by the Issuer or by the Holders of a majority in principal amount of the Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer or by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer, as the case may be. Copies of each such instrument shall be delivered by the Issuer to the Registrar.

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

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

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

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

Section 8.12. Paying Agent and Depository Bank. The Registrar shall also serve as the Paying Agent and Depository Bank. The Registrar's acceptance of the duties and responsibilities of the Registrar expressed in Section 8.02 shall also include the trusts and the duties of Paying Agent and Depository Bank. Any alternate Paying Agent must be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Bonds shall be and remain DTC-Eligible.

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

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

period, the Bond Commission, a court of competent jurisdiction or a majority of the Bondholders may make such appointment.

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

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

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

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 9.01. Defeasance; Discharge of Pledge of Ordinance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Bonds issued pursuant to this Ordinance, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, then this Ordinance and the pledges of the Revenues and other moneys and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Holders of the Bonds made hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Bond Commission or an escrow trustee either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on said Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of said Bonds prior to the maturity thereof, on and prior to said redemption date. Neither securities nor moneys deposited with the Bond Commission or an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on said Bonds on and prior to such maturity or redemption dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations, as such term is limited by the provisions in Section 1.01 hereof or the following:

1. Direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities.

2. Resolution Funding Corp. (REFCORP) securities. Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book-entry form are acceptable.

3. Pre-refunded municipal bonds rated "Aaa" by Moody's or "AAA" by S&P. If however, the issue is only rated by S&P (i.e., there is no Moody's rating), then the pre-refunded bonds must have been pre-refunded with cash, direct U. S. or U. S. guaranteed obligations, or AAA rated pre-refunded municipals to satisfy this condition.

4. Obligations issued by the following agencies which are backed by the full faith and credit of the U. S.:

   A. U. S. Export-Import Bank (Eximbank)
   Direct obligations or fully guaranteed certificates of beneficial ownership

   B. Farmers Home Administration (FmHA)
   Certificates of beneficial ownership

   C. Federal Financing Bank

   D. General Services Administration
   Participation certificates

   E. U. S. Maritime Administration
   Guaranteed Title XI financing

   F. U. S. Department of Housing and Urban Development (HUD)
   Project Notes
   Local Authority Bonds
   New Communities Debentures - U. S. government guaranteed debentures
   U. S. Public Housing Notes and Bonds - U. S. government guaranteed public housing notes and bonds

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Ordinance. Prior to the Closing Date for the Series 1995 Bonds, this Ordinance and any Supplemental Resolution may be amended, supplemented or modified in any way for any purpose without the consent of any Bondholder or other person. On or after the Closing Date, this Ordinance and any Supplemental Resolution may be amended, supplemented or modified in any way and at any time, so long as such amendment, supplement or modification does not materially adversely affect the rights of any Holders of the Bonds then Outstanding. In the event any of the Bonds are insured, no such amendment or modification which adversely affects the security for such Bonds or the rights of any Bond Insurer for such Bonds may be effected without the written consent of such Bond Insurer. Otherwise, no materially adverse amendment or modification to this Ordinance, or of any Supplemental Resolution, may be made without the written consent of the Holders of 60% in aggregate principal amount of the Bonds then Outstanding and affected thereby and such Bond Insurer, which must be filed with the Clerk of the Issuer before any such modification or amendment may be made. No such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Bond without the express written consent of the Holder of such Bond, nor reduce the percentage of Bonds required for consent to any such modification or amendment.

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

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

signing such instrument acknowledged to such bank, trust company, firm or corporation the execution thereof.

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

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

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

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

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

Section 10.05. Failure to Present Bonds. Anything in this Ordinance to the contrary notwithstanding, any moneys held by the Bond Commission or a Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for 1 year after the date on which such Bonds have become due and payable, whether by maturity or upon call for redemption, shall at the written request of the Issuer be paid by the Bond Commission or said Paying Agent to the Issuer as its absolute property and free from trust, and the Bond Commission or said Paying Agent shall thereupon be released and discharged with respect thereto, and the Holders of such Bonds shall look only to the Issuer for the payment of such Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Bond Commission, or said Paying Agent shall send to the Holder, at the address listed on the Bond Register, by certified mail, a

notice that such moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of such notice is mailed, the balance of such moneys then unclaimed will be returned to the Issuer. If any of said Bonds is a coupon Bond, the Registrar or said Paying Agent shall also publish such notice, not less than 30 days prior to the date such moneys will be returned to the Issuer, in an Authorized Newspaper.

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

ISSUER

City of Wheeling
City Hall
1500 Chapline Street
Wheeling, West Virginia 26003
Attention: City Manager

ORIGINAL PURCHASER

Legg Mason Wood Walker, Inc.
Two PNC Plaza, 19th Floor
Pittsburgh, Pennsylvania 15222

Hazlett, Burt & Watson, Inc.
1300 Chapline Street
Wheeling, West Virginia 26003

REGISTRAR AND PAYING AGENT

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

DEPOSITORY BANK

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

BOND INSURER

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

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

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

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

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

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

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

Section 10.12. Conflicting Provisions Repealed. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance, are, to the extent of such conflict, hereby repealed provided however, that, in the event of any conflict between this Ordinance and the Prior Ordinance, the Prior Ordinance shall prevail.

Section 10.13. Procedure on Enactment of Ordinance; Public Hearing. Upon adoption of this Ordinance, the Clerk is hereby authorized and directed to have an abstract of this Ordinance, which abstract has been determined by the Council of the Issuer to contain sufficient information to give notice of the contents of such Ordinance, published once each week for 2 successive weeks, with not less than six full days between each publication, the first such publication to be not less than 10 days before the date stated below for the public hearing, in The Intelligencer, a newspaper published and having a general circulation in the City of Wheeling, together with a notice to all persons concerned, stating that this Ordinance has been adopted and that the Issuer contemplates the issuance

of the Bonds described in this Ordinance and that any person interested may appear before the Council at the public hearing to be had at a public meeting of Council on January 2, 1996, at 7:30 p.m., in the meeting room of the Council in the City Hall of the City of Wheeling and present protests, and that a certified copy of this Ordinance is on file with the Clerk for review by interested parties during the office hours of the Clerk. At such hearing all protests and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises.

This Ordinance shall become effective following public hearing hereon in accordance with the Act.

First Reading: December 5, 1995

Second Reading: December 19, 1995

Effective following Public Hearing held on: January 2, 1996

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

By _____
City Attorney

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the City Council of the CITY OF WHEELING at a regular meeting of the City Council held at 7:30 p.m., on January 2, 1996, pursuant to proper notice, at which meeting a quorum was present and acting throughout, and which Ordinance was enacted following a public hearing thereon, notice of which public hearing was published once a week for two successive weeks in a newspaper having a general circulation in the City of Wheeling, the first publication having been not less than 10 days prior to such public hearing.

Dated this 8th day of January, 1997.

[SEAL]

Janice L Jones

City Clerk

EXHIBIT A - [FORM OF SERIES 1995 BOND]

No. R-_____ $_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WHEELING (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 1995

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF WHEELING, a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1 of each year, beginning June 1, 1996 (each an "Interest Payment Date") until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by _____, _____, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each

May 15 and November 15) at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by _____, _____, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Interest Payment Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Wheeling, West Virginia.

This Bond is one of a series of bonds in the aggregate principal amount of $_____ designated "City of Wheeling Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1995" (the "Series 1995 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 1995, the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund certain combined waterworks and sewerage system revenue bonds issued by the Issuer and outstanding in the aggregate principal amount of $_____, and defined in the hereinafter described Ordinance as the "Prior Bonds," which Prior Bonds were issued to finance and refinance the costs of acquisition and construction of certain municipal combined waterworks and sewerage facilities and additions, betterments and improvements thereto (collectively, the "System"); (ii) to fund a reserve account for the Series 1995 Bonds; and (iii) to pay certain costs of issuance of the Series 1995 Bonds and miscellaneous costs of such refunding. The Series 1995 Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act") and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (the "Refunding Act"), and an ordinance duly enacted by the City Council of the City on _____, 1995, and supplemented by a supplemental resolution duly adopted by said Council on _____, 1995 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 1995 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Wheeling, West Virginia.

The Bonds are additionally secured, but only to the extent described in the Statement of Insurance printed on the Bonds, by a policy of municipal bond insurance issued by _____.

THE SERIES 1995 BONDS ARE ISSUED ON A PARITY WITH RESPECT TO LIEN, PLEDGE AND SOURCES OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1992 A, DATED MAY 1, 1992, HERETOFORE ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF $1,925,000 (THE "SERIES 1992 A BONDS").

The Series 1995 Bonds maturing on or after June 1, _____, are redeemable prior to their stated dates of maturity at the option of the City on or after June 1, _____, in whole at any time or in part on any interest payment date, in such order of maturity as shall be designated to the Registrar by the Issuer and by lot within a maturity, at the redemption price of par, plus interest accrued to the date fixed for redemption.

The Series 1995 Bonds maturing on June 1, _____, are subject to mandatory sinking fund redemption prior to maturity, in part by random selection as may be determined by the Registrar, on June 1 of the years and in the principal amounts as set forth below, at a redemption price equal to the principal amount thereof, plus interest accrued to the date fixed for redemption, without premium:

Year (June 1)	Amount

*By maturity

Notice of any redemption of the Series 1995 Bonds, unless waived, shall be given by the Registrar by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 1995 Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. Notice of redemption having been given as aforesaid, the Series 1995 Bonds or portions of the Series 1995 Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Series 1995 Bonds or portions of Series 1995 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 1995 Bond.

The Series 1995 Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, all moneys in the Sinking Fund established under the Ordinance, and unexpended proceeds of the Bonds, and the City hereby and in the Ordinance pledges such revenues and moneys to such payment, on a parity with the Series 1992 A Bonds, until redemption thereof. Said Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Ordinance and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Series 1995 Bond does not constitute an indebtedness of the City within any constitutional or statutory provision or limitation, nor shall the City be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Sinking Fund and said unexpended Bond proceeds. Under the Ordinance, the City has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to produce revenues net of such operating expenses equal to at least 125% of the maximum annual amount required to pay the interest and principal as the same become due and accomplish retirement of all obligations for the payment of which such revenues have or shall have been pledged, charged or otherwise encumbered and to make any required payments into the Reserve Account. Such required payments on behalf of the principal of and interest on all such bonds shall constitute a charge upon the Gross Revenues of the System. The City has entered into certain further covenants with the registered owners of the Series 1995 Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the registered owners of the Series 1995 Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

All moneys received from the sale of the Series 1995 Bonds except for accrued interest thereon, shall be applied solely to refund the Prior Bonds, to fund a reserve account for the Series 1995 Bonds and to pay certain issuance and other costs in connection therewith, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the registered owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of 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 City for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

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

This Bond is, under the Act and the Refunding Act exempt from taxation by the State of West Virginia, except inheritance, estate and transfer taxes.

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

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

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

[SEAL]

(Manual or Facsimile Signature)
Mayor

(Manual or Facsimile Signature)
City Manager

ATTEST:

(Manual or Facsimile Signature)
City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the fully registered Series 1995 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner designated above on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson, Bond Counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: _____, _____.

_____,
as Registrar

By _____
Its Authorized Officer

STATEMENT OF INSURANCE

01/03/96
COWJ.A2
964250/95002

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), OF THE CITY OF WHEELING; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of the City of Wheeling (the "Issuer") has duly and officially adopted and enacted a bond ordinance, effective April 5, 2005 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $16,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE

BONDS SERIES 2005 A (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Ordinance provides for the issuance of Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), of the Issuer, in an aggregate principal amount not to exceed $16,000,000 (the "Bonds" or "Series 2005 A Bonds"), and has authorized the execution and delivery of the loan agreement relating to the Series 2005 A Bonds, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), all in accordance with Chapter 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

WHEREAS, the Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

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

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

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program) of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $14,500,000. The Series 2005 A Bonds shall be dated the date of delivery thereof, shall finally mature December 1, 2026, and shall bear interest at the rate of 2% per annum. The principal of and interest on the Series 2005 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2007, in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2005 A Bonds. The Series 2005 A Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2005 A Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 1% of the principal amount of the Series 2005 A Bonds set forth in the "Schedule Y" attached to the Loan Agreement.

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

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

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

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

Section 6. The Issuer does hereby appoint and designate Branch Banking and Trust Company, Wheeling, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 2005 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2005 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2005 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2005 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2005 A Bonds shall be deposited in or credited to the Series 2005 A Bond Construction Trust Fund as received from the DEP from time to time for payment of the costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 10. The Mayor and the City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about May 3, 2005, to the Authority pursuant to the Loan Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The Issuer does hereby approve and authorize all contracts relating to the financing, acquisition and construction of the Project.

Section 13. The Issuer hereby determines to invest all monies in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Monies in the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 14. A portion of the Series 2005 Bond proceeds will be paid by the Issuer as follows: $1,325,928.67 will be paid to Progressive Bank, N.A. for credit to the Combined Waterworks and Sewerage System Design Revenue Bond, Series 2003 A and $26,744.33 will be paid to the City, all to cover preliminary costs of the Project and $549,408 will be deposited in the Series 2005 A Bonds Construction Trust Fund to cover future project invoices. All other proceeds of the Series 2005 A Bonds received at closing will be used to pay the invoices approved in the First Draw Resolution adopted April 19, 2005.

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

Adopted this 28th day of April, 2005.

By: _____
Its: Mayor

By: _____
Its: City Manager

Approved and Correct to its Form:

By: _____
Its: City Attorney

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Wheeling on the 28th day of April, 2005.

Dated: May 3, 2005.

[SEAL]

City Clerk

04/21/05
964250.00019

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WHEELING
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2005 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1 $14,500,000

KNOW ALL MEN BY THESE PRESENTS: That on this the 3rd day of May, 2005, the CITY OF WHEELING, a municipal corporation and political subdivision of the State of West Virginia in Ohio and Marshall Counties of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of FOURTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS ($14,500,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2007, as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference, with interest on each installment at the rate per annum set forth on said Exhibit B. The interest and the SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing March 1, 2007, as set forth on Exhibit B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement (the "Loan Agreement") by and among the Issuer, the Authority and the DEP, dated April 20, 2005.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the sewerage portion of the existing public combined waterworks sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public combined waterworks and sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on April 5, 2005, and a Supplemental Resolution duly adopted by the Issuer on April 28, 2005 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S (1) COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2003 A, DATED JANUARY 23, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,940,000; AND (2) COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1997, DATED JANUARY 1, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $20,600,000 (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the Holders of the Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2005 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and 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 Gross Revenues, the monies in the Series 2005 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to comply with the rate coverage required by the ordinances authorizing the Prior Bonds, so long as the Prior Bonds are outstanding, and thereafter, sufficient to provide for the reasonable expenses of operation, repair and maintenance of the

System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that when the Prior Bonds are no longer outstanding and so long as there exists in the Series 2005 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Gross 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, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

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

[SEAL]

Mayor

SPECIMEN

City Manager

ATTEST:

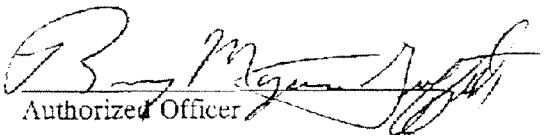
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2005 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: May 3, 2005.

THE HUNTINGTON NATIONAL BANK,
as Registrar



Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$ 2,100,722	May 3, 2005	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $_____

EXHIBIT B

$14,500,000
City of Wheeling
20 Years, 2% Interest Rate, 1% Administrative Fee
Closing Date: May 3, 2005

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/01/2005	-	-	-	-
09/01/2005	-	-	-	-
12/01/2005	-	-	-	-
03/01/2006	-	-	-	-
06/01/2006	-	-	-	-
09/01/2006	-	-	-	-
12/01/2006	-	-	-	-
03/01/2007	147,857.00	2.000%	72,500.00	220,357.00
06/01/2007	148,596.00	2.000%	71,760.72	220,356.72
09/01/2007	149,339.00	2.000%	71,017.74	220,356.74
12/01/2007	150,086.00	2.000%	70,271.04	220,357.04
03/01/2008	150,836.00	2.000%	69,520.61	220,356.61
06/01/2008	151,591.00	2.000%	68,766.43	220,357.43
09/01/2008	152,349.00	2.000%	68,008.48	220,357.48
12/01/2008	153,110.00	2.000%	67,246.73	220,356.73
03/01/2009	153,876.00	2.000%	66,481.18	220,357.18
06/01/2009	154,645.00	2.000%	65,711.80	220,356.80
09/01/2009	155,418.00	2.000%	64,938.58	220,356.58
12/01/2009	156,196.00	2.000%	64,161.49	220,357.49
03/01/2010	156,977.00	2.000%	63,380.51	220,357.51
06/01/2010	157,761.00	2.000%	62,595.62	220,356.62
09/01/2010	158,550.00	2.000%	61,806.82	220,356.82
12/01/2010	159,343.00	2.000%	61,014.07	220,357.07
03/01/2011	160,140.00	2.000%	60,217.35	220,357.35
06/01/2011	160,940.00	2.000%	59,416.65	220,356.65
09/01/2011	161,745.00	2.000%	58,611.95	220,356.95
12/01/2011	162,554.00	2.000%	57,803.23	220,357.23
03/01/2012	163,367.00	2.000%	56,990.46	220,357.46
06/01/2012	164,183.00	2.000%	56,173.62	220,356.62
09/01/2012	165,004.00	2.000%	55,352.71	220,356.71
12/01/2012	165,829.00	2.000%	54,527.69	220,356.69
03/01/2013	166,659.00	2.000%	53,698.54	220,357.54
06/01/2013	167,492.00	2.000%	52,865.25	220,357.25
09/01/2013	168,329.00	2.000%	52,027.79	220,356.79
12/01/2013	169,171.00	2.000%	51,186.14	220,357.14
03/01/2014	170,017.00	2.000%	50,340.29	220,357.29
06/01/2014	170,867.00	2.000%	49,490.20	220,357.20
09/01/2014	171,721.00	2.000%	48,635.87	220,356.87
12/01/2014	172,580.00	2.000%	47,777.26	220,357.26
03/01/2015	173,443.00	2.000%	46,914.36	220,357.36
06/01/2015	174,310.00	2.000%	46,047.15	220,357.15
09/01/2015	175,181.00	2.000%	45,175.60	220,356.60
12/01/2015	176,057.00	2.000%	44,299.69	220,356.69
03/01/2016	176,938.00	2.000%	43,419.41	220,357.41

Date	Principal	Coupon	Interest	Total P+I
06/01/2016	177,822.00	2.000%	42,534.72	220,356.72
09/01/2016	178,711.00	2.000%	41,645.61	220,356.61
12/01/2016	179,605.00	2.000%	40,752.05	220,357.05
03/01/2017	180,503.00	2.000%	39,854.03	220,357.03
06/01/2017	181,406.00	2.000%	38,951.51	220,357.51
09/01/2017	182,313.00	2.000%	38,044.48	220,357.48
12/01/2017	183,224.00	2.000%	37,132.92	220,356.92
03/01/2018	184,140.00	2.000%	36,216.80	220,356.80
06/01/2018	185,061.00	2.000%	35,296.10	220,357.10
09/01/2018	185,986.00	2.000%	34,370.79	220,356.79
12/01/2018	186,916.00	2.000%	33,440.86	220,356.86
03/01/2019	187,851.00	2.000%	32,506.28	220,357.28
06/01/2019	188,790.00	2.000%	31,567.03	220,357.03
09/01/2019	189,734.00	2.000%	30,623.08	220,357.08
12/01/2019	190,683.00	2.000%	29,674.41	220,357.41
03/01/2020	191,636.00	2.000%	28,720.99	220,356.99
06/01/2020	192,594.00	2.000%	27,762.81	220,356.81
09/01/2020	193,557.00	2.000%	26,799.84	220,356.84
12/01/2020	194,525.00	2.000%	25,832.06	220,357.06
03/01/2021	195,498.00	2.000%	24,859.43	220,357.43
06/01/2021	196,475.00	2.000%	23,881.94	220,356.94
09/01/2021	197,457.00	2.000%	22,899.57	220,356.57
12/01/2021	198,445.00	2.000%	21,912.28	220,357.28
03/01/2022	199,437.00	2.000%	20,920.06	220,357.06
06/01/2022	200,434.00	2.000%	19,922.87	220,356.87
09/01/2022	201,436.00	2.000%	18,920.70	220,356.70
12/01/2022	202,444.00	2.000%	17,913.52	220,357.52
03/01/2023	203,456.00	2.000%	16,901.30	220,357.30
06/01/2023	204,473.00	2.000%	15,884.02	220,357.02
09/01/2023	205,495.00	2.000%	14,861.66	220,356.66
12/01/2023	206,523.00	2.000%	13,834.18	220,357.18
03/01/2024	207,555.00	2.000%	12,801.57	220,356.57
06/01/2024	208,593.00	2.000%	11,763.79	220,356.79
09/01/2024	209,636.00	2.000%	10,720.83	220,356.83
12/01/2024	210,684.00	2.000%	9,672.65	220,356.65
03/01/2025	211,738.00	2.000%	8,619.23	220,357.23
06/01/2025	212,797.00	2.000%	7,560.54	220,357.54
09/01/2025	213,861.00	2.000%	6,496.55	220,357.55
12/01/2025	214,930.00	2.000%	5,427.25	220,357.25
03/01/2026	216,004.00	2.000%	4,352.60	220,356.60
06/01/2026	217,084.00	2.000%	3,272.58	220,356.58
09/01/2026	218,170.00	2.000%	2,187.16	220,357.16
12/01/2026	219,261.00	2.000%	1,096.31	220,357.31
Total	$14,500,000.00	-	$3,128,561.99	$17,628,561.99

*Plus $19,553.52 one-percent administrative fee paid quarterly. Total fee paid over life of loan is $1,564,281.60.

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: _____, _____.

_____

In the presence of:

_____

04/21/05
964250.00019

THE CITY OF WHEELING
(WEST VIRGINIA)

COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS,
SERIES 2006 A

BOND ORDINANCE

THE CITY OF WHEELING
(WEST VIRGINIA)

COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A

BOND ORDINANCE

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THE CITY OF WHEELING
(WEST VIRGINIA)

CONFORMED ORDINANCE

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2003 A, AND THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $14,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

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

WHEREAS, under the provisions of Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), the Issuer is authorized to issue revenue bonds for the purpose of financing the acquisition and construction of extensions, additions, betterments and improvements to the System;

WHEREAS, pursuant to the Act, the Issuer is authorized and empowered to issue refunding revenue bonds for the purpose of refunding, paying or discharging all or any part of its outstanding revenue bonds, including interest thereon;

WHEREAS, the Issuer has determined and hereby determines that it is in the best interests of the inhabitants of The City of Wheeling and other users of the System to currently refund the Issuer's outstanding Series 2003 A Bonds;

WHEREAS, the Issuer has determined and hereby determines that the acquisition and construction of certain extensions, additions, betterments and improvements to the System, which includes the acquisition and construction of upgrades to the existing water distribution system, specifically including, but not limited to, replacement of deteriorated water lines and improvement of the Wheeling Park booster station and the Supervisory Control and Data Acquisition System, is necessary, appropriate, useful and desirable for the health, safety, and welfare of the inhabitants of The City of Wheeling and surrounding areas;

WHEREAS, the Issuer has determined and hereby determines that the aforementioned refunding of the Series 2003 A Bonds and acquisition and construction of extensions, additions, betterments and improvements to the System should be financed with the proceeds from the issuance of the City's Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, in the original aggregate principal amount of not more than $14,000,000 (the "Series 2006 A Bonds"), such Series 2006 A Bonds to be secured by and payable from the Gross Revenues (as hereinafter defined) of the System.

WHEREAS, the Issuer has determined and hereby determines that it is in the best interests of the residents of The City of Wheeling that its Series 2006 A Bonds be sold to the Original Purchaser (as hereinafter defined) thereof pursuant to the terms and provisions of a bond purchase agreement (the "Bond Purchase Agreement") between the Issuer and the Original Purchaser.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF WHEELING:

ARTICLE I

DEFINITIONS; STATUTORY AUTHORITY; FINDINGS

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

"Act" means Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended and in effect on the date of delivery of the Series 2006 A Bonds.

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

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

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

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

"Bond Insurer" means any entity which shall insure all or any portion of the payment of principal of and interest on the Bonds, and with respect to the Series 2006 A Bonds, shall mean the Bond Insurer, if any, designated in the Supplemental Resolution.

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

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

"Bonds" means, collectively, the Series 2006 A Bonds and the Prior Bonds and any additional parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

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

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 2006 A Bonds, in substantially the form set forth in EXHIBIT A - FORM OF SERIES 2006 A BOND attached hereto.

"City" or "Issuer" means The City of Wheeling, a municipal corporation and political subdivision of the State of West Virginia, in Ohio and Marshall counties thereof, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer and any other commission, board or department established by the Issuer to operate and maintain the System.

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

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

"Closing Date" means the date upon which there is an exchange of the Series 2006 A Bonds for the proceeds representing the original purchase price thereof.

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

"Consulting Engineers" means, collectively, Burgess & Niple, Inc., Parkersburg, West Virginia, and Gannett Fleming, Inc., Harrisburg, Pennsylvania, or any qualified engineer or engineers or firm or firms of engineers that shall at any time now or hereafter be retained by the Issuer as Consulting Engineers for the System, or portion thereof.

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

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

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

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

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

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

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

"DTC-eligible" means, with respect to the Series 2006 A Bonds, meeting the qualifications prescribed by DTC.

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

"FDIC" means the Federal Deposit Insurance Corporation or any successor to the functions of the FDIC.

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

"Governing Body" means the Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the Council, as it may now or hereafter be constituted.

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

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts, 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) or any Tap Fees, as hereafter defined.

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

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

"Maximum Annual Debt Service" means, at the time of computation, the greatest amount of Debt Service required to be paid on the Series 2006 A Bonds for the then current or any succeeding Fiscal Year, assuming that the principal of any Term Bonds is deemed due on the earlier of their stated maturity date or the date on which they are required to be redeemed pursuant to mandatory sinking fund redemption.

"Mayor" means the current Mayor of the Issuer.

"Municipal Bond Insurance Policy" means any municipal bond insurance policy issued by a Bond Insurer simultaneously with the delivery of the Series 2006 A Bonds, insuring the payment of the principal of and interest on all or any of the Series 2006 A Bonds in accordance with the terms thereof or any other bond insurance policy which may be issued on behalf of the Issuer to insure payment of the principal of and interest on all or any subsequent series of Bonds.

"Net Proceeds" means the face amount of the Series 2006 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds deposited in the Series 2006 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from investment of proceeds of the Series 2006 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property as defined in Section 148(b) of the Code, that is not a purpose investment.

"Operating Expenses," unless qualified, means the current expenses, paid or accrued, of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions, betterments or improvements for the System), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, payments to pension or retirement funds, taxes and such other reasonable

operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of or any decrease in the value of capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

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

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

"Original Purchaser" means Ferris, Baker Watts, Charleston, West Virginia as the purchaser of the Series 2006 A Bonds directly from the Issuer, or, if the Issuer and such Original Purchaser do not agree to the purchase of the Series 2006 A Bonds with interest rates and other terms allowable under the Act, such other person or persons, firm or firms, bank or banks, corporation or corporations or such other entity or entities as shall purchase the Series 2006 A Bonds directly from the Issuer, as determined by a resolution supplemental hereto; provided, that the Original Purchaser and the Issuer shall agree to the purchase of the Series 2006 A Bonds, as hereinafter defined, including the exact principal amount thereof and interest rate or rates thereon as fixed by said supplemental resolution to be adopted by the Council at the time of approval of such sale of said Series 2006 A Bonds.

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

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

"Prior Bonds" shall mean, collectively, the Series 2005 A Bonds and the Series 1997 Bonds.

"Prior Ordinances" shall have the meaning set forth in the recitals hereto.

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

"Project" means the acquisition and construction of certain extensions, additions, betterments and improvements to the waterworks portion of the System, specifically including, but not limited to, the construction of upgrades to the distribution system, which shall include the replacement of deteriorated water lines, improvements to the Wheeling Park booster pumping station and improvements to the Supervisory Control and Data Acquisition System, and all necessary appurtenances.

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

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

"Record Date" means the day of the month which shall be so stated in the Series 2006 A Bonds, regardless of whether such day is a Saturday, Sunday or legal holiday.

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

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

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

"Registrar" means the bank to be designated in the Supplemental Resolution as the registrar for the Series 2006 A Bonds, and any successor thereto appointed in accordance with Section 8.08 hereof.

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

"Reserve Accounts" means, collectively, the respective reserve accounts created for the Series 2006 A Bonds and the Prior Bonds.

"Reserve Account Requirement" means, collectively, the respective amount required to be on deposit in the Reserve Accounts for the Series 2006 A Bonds and the Prior Bonds.

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

"Series 1997 Bonds" means the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, dated January 1, 1997, issued in the original aggregate principal amount of $20,600,000.

"Series 2003 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A, dated January 23, 2003, issued in the original aggregate principal amount of $1,940,000.

"Series 2005 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000.

"Series 2006 A Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 2006 A Bonds Construction Trust Fund" means the Series 2006 A Bonds Construction Trust Fund established by Section 4.01 hereof.

"Series 2006 A Bonds Redemption Account" means the Series 2006 A Bonds Redemption Account established by Section 4.02 hereof.

"Series 2006 A Bonds Reserve Account" means the Series 2006 A Bonds Reserve Account established in the Series 2006 A Bonds Sinking Fund pursuant to Section 4.02 hereof.

"Series 2006 A Bonds Reserve Account Requirement" means an amount equal to the lesser of (i) 10% of the original principal amount of the Series 2006 A Bonds, (ii) Maximum Annual Debt Service at the time of original issuance of the Series 2006 A Bonds, or (iii) 125% of average annual Debt Service at the time of original issuance of the Series 2006 A Bonds.

"Series 2006 A Bonds Sinking Fund" means the Series 2006 A Bonds Sinking Fund established by Section 4.02 hereof.

"Sinking Funds" means, collectively, the respective sinking funds created for the Series 2006 A Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any ordinance or resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution to be adopted by the Issuer following enactment of this Ordinance, setting forth the final amounts, maturities, interest rates and other terms of the Series 2006 A Bonds and authorizing the sale of the Series 2006 A Bonds to the Original Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Gross Revenues not required by the Ordinance to be set aside and held for the payment of or security for the Bonds or the Prior Bonds or any other obligations of the Issuer, including, without limitation, the Depreciation Fund, the Sinking Funds and the Reserve Accounts.

"System" means, the complete existing public municipal combined waterworks and sewerage system of the Issuer, and shall include any extensions, additions, betterments and improvements thereto hereafter acquired or constructed for the System from any sources whatsoever, both within and without the Issuer.

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

"Term Bonds" means Series 2006 A Bonds subject to mandatory sinking fund redemption, as described by Section 3.06 hereof.

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

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

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

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

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

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

A. The Issuer is a municipal corporation and political subdivision of the State of West Virginia, in Marshall and Ohio Counties of said State.

B. The Issuer now owns and operates the System. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed the Project, as defined in Section 1.01 hereof, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the City Clerk of the Issuer.

C. The design of the Project was financed in part by the proceeds of prior bond issues of the Issuer, of which there is presently outstanding the Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A, dated January 23, 2003, issued in the original aggregate principal amount of $1,940,000, of which approximately $393,893 is presently outstanding (the "Series 2003 A Bonds").

D. The Issuer has determined and hereby determines that it is in the best interest of the residents of the Issuer and other users of the System to currently refund the Series 2003 A Bonds.

E. It is deemed necessary for the Issuer to issue its Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, in the original aggregate principal amount of not more than $14,000,000, to pay the principal of and accrued interest on the Issuer's Series 2003 A Bonds and to finance the costs of acquisition and construction of the Project. Such costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor and eligible under the Act; interest, if any, upon the Series 2006 A Bonds prior to and during acquisition or construction and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Reserve Accounts; underwriter's discount, engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; premiums for municipal bond insurance, reserve account insurance or reserve account surety bonds; letter of credit fees; discount; initial fees for the services of registrar's, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2006 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; the acquisition and construction of the Project and the placing of same in operation; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2006 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as defined herein.

F. The period of usefulness of the System after completion of the Project is not less than 30 years.

G. It is in the best interest of the Issuer that the Series 2006 A Bonds be sold to the Original Purchaser pursuant to the terms and provisions of a Bond Purchase Agreement to be entered into by and between the Issuer and the Original Purchaser, as shall be approved by the Supplemental Resolution of the Issuer.

H. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2006 A Bonds as to liens, pledge, source of and security for payment, being (i) the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, dated January 1, 1997, issued in the original aggregate principal amount of $20,600,000 (the "Series 1997 Bonds"), and (ii) the Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000 (the "Series 2005 A Bonds") (collectively, the "Prior Bonds"). The Prior Bonds are payable from and secured by a first lien on the Gross Revenues of the System. The Series 2006 A Bonds shall be issued on a parity with the Prior Bonds, all of which shall have a first lien position with respect to pledge and source of and security for payment and in all other respects. The Issuer has met the coverage requirements for issuance of parity bonds of the Prior Bonds and the Prior Ordinances.

Prior to the issuance of the Series 2006 A Bonds, the Issuer will obtain (i) the certificate of an Independent Accountant stating that the coverage and parity tests of the Prior Bonds are met; and (ii) the written consent of the Holders of the Series 2005 A Bonds to the issuance of the Series 2006 A Bonds on a parity with such Bonds. The written consent of the Holders of the Series 1997 Bonds to the issuance of the Series 2006 A Bonds on a parity with such Bonds is not required by the Prior Ordinances.

I. The Issuer derives revenues from the System which are pledged for payment of the Prior Bonds. Except for such pledge thereof to secure and pay the Prior Bonds, said revenues are not pledged or encumbered in any manner. The Issuer intends to issue the Series 2006 A Bonds and to pledge for payment thereof, the Gross Revenues of the System. Upon issuance of the Series 2006 A Bonds, the Series 2006 A Bonds will be secured by a first lien on the Gross Revenues of the System, on a parity with the Prior Bonds.

J. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient, to provide for repair, maintenance and operation of the System, the payment of interest on the Series 2006 A Bonds and the Prior Bonds, to create sinking funds, as hereinafter provided, to pay the principal on the Series 2006 A Bonds and the Prior Bonds as and when it becomes due, to provide for reasonable reserves therefor, to provide an adequate depreciation fund, as hereinafter provided, and to make all other payments provided for in this Ordinance.

K. The Series 2006 A Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the forms set forth in EXHIBIT A - SERIES 2006 A BOND FORM, attached hereto and incorporated herein by reference, with necessary and appropriate variations, omissions and insertions as permitted or required by this Ordinance or a Supplemental Resolution or as deemed necessary by the Registrar or the Issuer.

L. All things necessary to make the Series 2006 A Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to validly pledge and assign those funds or commitments pledged hereby to the payment of the principal of and interest on the Series 2006 A Bonds will be timely done and duly performed.

M. The enactment of this Ordinance, and the execution and issuance of the Series 2006 A Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

N. The Issuer has complied with all requirements of West Virginia law relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2006 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the obtaining of a certificate of convenience and necessity from the West Virginia Public Service Commission by final order, the time for rehearing and appeal of which will either have expired prior to the date of issuance of the Series 2006 A Bonds or such final order will not be subject to appeal or rehearing.

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the Series 2006 A Bonds by those who shall own or hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Issuer and such Holders and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Holders of any and all of such Series 2006 A Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Series 2006 A Bond and any other Series 2006 A Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF REFUNDING; AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Refunding. All Series 2003 A Bonds Outstanding as of the date of issuance of the Series 2006 A Bonds and all unpaid interest accrued thereon, if any, are hereby ordered to be refunded and paid in full and the pledge of Gross Revenues in favor of the Holders of the Series 2003 A Bonds imposed by the Prior Ordinance authorizing the issuance of the Series 2003 A Bonds, the monies in the funds and accounts created by the Prior Ordinances pledged to payment of the Series 2003 A Bonds, and any other funds pledged by the Prior Ordinances to payment of the Series 2003 A Bonds are hereby ordered terminated, discharged and released upon such payment to the Holder of the Series 2003 A Bonds. Contemporaneously with the payment in full of the Series 2003 A Bonds, the amounts on deposit in the sinking fund, and all other funds and accounts created and maintained on behalf of the Series 2003 A Bonds, shall be released from the lien created by the Prior Ordinance authorizing the issuance of the Series 2003 A Bonds.

Section 2.02. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not more than $14,000,000. The proceeds of the Series 2006 A Bonds hereby authorized shall be applied as provided herein. The cost of the Project is estimated not to exceed $14,000,000 of which the entire amount will be obtained from proceeds of the Series 2006 A Bonds.

ARTICLE III

THE BONDS

Section 3.01. Form and Payment of Bonds. No Series 2006 A Bond shall be issued pursuant to this Ordinance except as provided in this Article III. Any Series 2006 A Bonds issued pursuant to this Ordinance after the issuance of the Series 2006 A Bonds, as hereinafter provided, may be issued only as fully registered Series 2006 A Bonds without coupons, in the denomination of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may be set forth in a Supplemental Resolution). All Series 2006 A Bonds shall be dated as of the date provided in a Supplemental Resolution applicable to such series. All Series 2006 A Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Series 2006 A Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Series 2006 A Bonds shall be in default, Series 2006 A Bonds issued in exchange for Series 2006 A Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Series 2006 A Bonds surrendered.

The principal of and the premium, if any, on the Series 2006 A Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Series 2006 A Bonds shall be paid by check or draft made payable and mailed to the Holder thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of $500,000 or more of the Series 2006 A Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

In the event any Series 2006 A Bond is redeemed in part, such bond shall be surrendered to and canceled by the Registrar, and the Issuer shall execute, and the Registrar shall authenticate and deliver to the Holder thereof, another Series 2006 A Bond in the principal amount of said Series 2006 A Bond then Outstanding.

Section 3.02. Execution of Bonds. The Series 2006 A Bonds shall be executed in the name of the Issuer by the City Manager and the Mayor, by their manual or facsimile signatures, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Clerk by his or her manual or facsimile signature; provided, that, all such signatures and the seal may be by facsimile. In case any one or more of the officers who shall have signed or sealed any of the Series 2006 A Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such

Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2006 A Bonds may be signed and sealed on behalf of the City by such person as at the actual time of the execution of such Bonds shall hold the proper office in the City, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Series 2006 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Ordinance unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in EXHIBIT A - FORM OF SERIES 2006 A BOND attached hereto and incorporated herein by reference with respect to such respective Series 2006 A Bond, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Series 2006 A Bond has been authenticated, registered and delivered under this Ordinance. The Certificate of Authentication and Registration on any Series 2006 A Bond shall be deemed to have been executed by the Registrar if signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Series 2006 A Bonds issued hereunder.

Section 3.04. Negotiability and Registration. Subject to the requirements for transfer set forth below, the Series 2006 A Bonds shall be, and have all of the qualities and incidents of, negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder, in accepting any of said Series 2006 A Bonds, shall be conclusively deemed to have agreed that such Series 2006 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder shall further be conclusively deemed to have agreed that said Series 2006 A Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Series 2006 A Bonds remain Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Series 2006 A Bonds. The Series 2006 A Bonds shall be transferable only by transfer of registration upon the Bond Register by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or such duly authorized attorney or legal representative. Upon transfer of a Series 2006 A Bond, there shall be issued at the option of the Holder or the transferee another Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond.

Upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar and duly executed by the registered owner or his attorney or legal representative duly authorized in writing, Series 2006 A Bonds may at the

option of the Holder thereof be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate, in any authorized denominations.

In all cases in which the privilege of transferring or exchanging a Series 2006 A Bond is exercised, Series 2006 A Bonds shall be delivered in accordance with the provisions of this Ordinance. All Series 2006 A Bonds surrendered in any such transfer or exchange shall forthwith be canceled by the Registrar. Transfers of Series 2006 A Bonds, the initial exchange of Series 2006 A Bonds and exchanges of such Bonds in the event of partial redemption of fully registered Bonds shall be made by the Registrar without charge to the Holder or the transferee thereof, except as provided below. For other exchanges of Series 2006 A Bonds, the Registrar may impose a service charge. For every such transfer or exchange of such Bonds, the Registrar may make a charge sufficient to reimburse its office for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such tax or governmental charge, and such service charge for exchange other than the initial exchange or in the event of partial redemption, shall be paid by the person requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Series 2006 A Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2006 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may execute, in its discretion, and the Registrar shall authenticate, register and deliver any new Bond of like series, maturity and principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and upon surrender and cancellation of, such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing the Issuer and the Registrar proof of his ownership thereof and that said Bond has been destroyed, stolen or lost and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer or the Registrar may incur. The name of the Holder listed in the Bond Register shall constitute proof of ownership. All Bonds so surrendered shall be submitted to and canceled by the Registrar, and evidence of such cancellation shall be given to the Issuer. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond the Issuer, by and through the Registrar, may pay the same, upon being indemnified as aforesaid, and, if such Bond be lost, stolen or destroyed, without surrender therefor.

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

Section 3.06. Term Bonds. In the event Term Bonds are issued as part of the Series 2006 A Bonds pursuant to this Ordinance, the following provisions shall apply:

A. The amounts to be deposited, apportioned and set apart by the Issuer from the Revenue Fund and into the Series 2006 A Bonds Redemption Account in accordance with Subsection 4.03(A)(2) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 13 months prior to the first mandatory redemption date of said Term Bonds, a sum equal to 1/12th of the amount required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next ensuing mandatory redemption date, which amounts and dates, if any, with respect to a series of Bonds shall be set forth in the Supplemental Resolution relating thereto.

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

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

D. After said 60th day but prior to the date on which the Registrar selects the Term Bonds to be redeemed, the Bond Commission may use the moneys in the Series 2006 A Bonds Redemption Account to purchase Term Bonds at a price less than the par value thereof and accrued interest thereon. The Bond Commission shall advise the Issuer and the Registrar of any Term Bonds so purchased, and they shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory redemption date, and any excess shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

E. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the redemption date (interest to be paid from the Sinking Fund), as will exhaust as nearly as practicable such Series 2006 A Bonds Redemption Account payment

designated to be made in accordance with paragraph (A) of this section. Such redemption shall be by random selection made on the 45th day preceding the mandatory redemption date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of $5,000.

Section 3.07. Notice of Redemption. Unless waived by any Holder of the Bonds to be redeemed, official notice of any redemption shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the applicable Bond Insurer, if any, the Original Purchaser, and the registered owner of the Series 2006 A Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

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

(1) The Redemption Date,

(2) The Redemption Price,

(3) If less than all outstanding Series 2006 A Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

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

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

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

Prior to any redemption date, the Issuer shall deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Series 2006 A Bonds or portions of such Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Series 2006 A Bonds or portions of such Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Series 2006 A

Bonds or portions of such Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of Series 2006 A Bonds, and failure to mail such notice shall not affect the validity of proceedings for the redemption of any portion of Bonds for which there was no such failure.

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

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

Section 3.10. Authorization of Series 2006 A Bonds. For the purposes of paying in full the entire outstanding principal of and all accrued interest on the Series 2003 A Bonds, paying the costs of acquisition and construction of extensions, additions, betterments and improvements to the System, funding the Series 2006 A Bonds Reserve Account and paying costs of issuance of the Series 2006 A Bonds and related costs, there shall be issued the Series 2006 A Bonds of the Issuer, in an aggregate principal amount of not more than $14,000,000. The Series 2006 A Bonds shall be designated "The City of Wheeling (West Virginia) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A" and shall be issued in fully registered form, in denominations of $5,000 or any integral multiple thereof for any year of maturity (or such other denominations as may

be set forth in the Supplemental Resolution), not exceeding the aggregate principal amount of Series 2006 A Bonds maturing in the year of maturity for which the denomination is to be specified. The Series 2006 A Bonds shall be numbered from AR-1 consecutively upward. The Series 2006 A Bonds shall be dated; shall be in such aggregate principal amount; shall bear interest at such rate or rates, not exceeding the then legally permissible rate, payable semiannually on such dates; shall mature on such dates and in such amounts; shall be subject to such mandatory and optional redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Book Entry System for Series 2006 A Bonds. The Series 2006 A Bonds (if purchased by the Original Purchaser) shall each initially be issued in the form of one fully-registered bond for the aggregate principal amount of the Series 2006 A Bonds of each maturity, and shall be registered in the name of Cede & Co., as nominee of DTC. Notwithstanding anything herein to the contrary contained, so long as the Series 2006 A Bonds are so issued and registered, DTC (or its nominee) shall be treated as the sole Registered Owner for all purposes hereunder. Each Bond shall bear a legend substantially to the following effect "Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this certificate is presented by an authorized representative of DTC, to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein."

With respect to Series 2006 A Bonds registered in the records of the Registrar in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent shall have no responsibility or obligation to any other participant in DTC or to any Person on behalf of whom such a participant in DTC holds a beneficial interest in the Series 2006 A Bonds. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any other participant in DTC with respect to any beneficial ownership interest in any Bond, (ii) the delivery to any other participant in DTC or any other Person, other than a Registered Owner, as shown in the records of the Registrar, of any notice with respect to any Series 2006 A Bonds, including without limitation any notice of redemption, tender, purchase or any event which would or could give rise to a tender or purchase right or option with respect to any Bond, (iii) the payment to any other participant in DTC or any other Person, other than a Registered Owner, as shown in the records of the Registrar, of any amount with respect to principal of, premium, if any, or interest on, any Bond, or (iv) any consent given by DTC as Registered Owner. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent shall be entitled to treat and consider the Person in whose name each Bond is registered in the records of the Registrar

as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption, sale, purchase or any event which would or could give rise to a sale or purchase right or option with respect to any Bond for the purpose of making payment of any purchase price of such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Issuer and Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2006 A Bonds and the purchase price of any Bond only to or upon the order of the respective Registered Owners, as shown in the records of the Registrar as provided in this Ordinance, or their respective attorneys or legal representatives duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2006 A Bonds to the extent of the sum or sums so paid. No Person other than a Registered Owner, as shown in the records of the Registrar, shall receive a Bond certificate evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest pursuant to this Ordinance.

The Registered Owners have no right to a depository for the Series 2006 A Bonds. The Issuer may remove DTC or any successor thereto for any reason at any time. In such event or in the event DTC shall notify the Issuer that DTC is discontinuing its book-entry system for the Series 2006 A Bonds, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities Exchange Act, notify DTC of the appointment of such successor securities depository and transfer one or more separate Bond certificates to such successor securities depository or (ii) notify DTC of the availability through the DTC of Bond certificates and transfer one or more separate Bond certificates to other participants or beneficial owners as DTC may direct. In such event, the Series 2006 A Bonds shall no longer be restricted to being registered in the records of the Registrar in the name of Cede & Co., as nominee, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names other participants in DTC receiving Series 2006 A Bonds shall designate, in accordance with the provisions of this Ordinance. The provisions of this Section applicable to DTC shall apply, mutatis mutandis, to any successor depository performing the same functions hereunder as DTC.

The Issuer represents hereby that it has executed a Letter of Representations, the terms of which are applicable to the issuance of the Series 2006 A Bonds hereunder. Such Letter of Representations is for the purpose of effectuating the Book-Entry Only System only and shall not be deemed to amend, supersede or supplement the terms of this Ordinance which are intended to be complete without reference to the Letter of Representations. In the event of any conflict between the terms of the Letter of Representations and the terms of this Ordinance, the terms of this Ordinance shall control. DTC may exercise the rights of a Registered Owner hereunder only in accordance with the terms hereof applicable to the exercise of such rights.

Section 3.12. Delivery of Series 2006 A Bonds.

The Issuer shall execute and deliver the Series 2006 A Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2006 A Bonds to the Original Purchaser upon receipt of the documents set forth below:

(1) If not registered in the name of DTC or its nominee, a list of the names in which the Series 2006 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;

(2) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2006 A Bonds to DTC for the benefit of the Original Purchaser;

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

(4) The unqualified approving opinion of Bond Counsel regarding the Series 2006 A Bonds; and

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

Section 3.13. Form of Series 2006 A Bonds. The definitive Series 2006 A Bonds shall be in substantially the form set forth in EXHIBIT A - SERIES 2006 A BOND FORM attached hereto and incorporated herein by reference, with such necessary and appropriate omissions, insertions and variations as are approved by those officers executing such Series 2006 A Bonds on behalf of the Issuer and execution thereof by such officers shall constitute conclusive evidence of such approval, and the definitive Series 2006 A Bonds shall have the form of the opinion of Steptoe & Johnson PLLC, as Bond Counsel, attached thereto or printed on the reverse thereof.

Section 3.14. Disposition of Proceeds of Series 2006 A Bonds. Upon the issuance and delivery of the Series 2006 A Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

1. All interest accrued on Series 2006 A Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 2006 A Bonds Sinking Fund and applied to payment of interest on the Series 2006 A Bonds at the first interest payment date.

2. An amount of the proceeds of the Series 2006 A Bonds equal to the amount, if any, set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Series 2006 A Bonds Reserve Account.

3. An amount of the proceeds of the Series 2006 A Bonds equal to the entire outstanding principal of and all accrued interest on the Series 2003 A Bonds as set forth in the Supplemental Resolution shall be remitted to the Bond Commission to pay the Series 2003 A Bonds in full.

4. The amount of Series 2006 A Bond proceeds which, together with other monies or securities deposited therein shall be equal to the Costs of Issuance of the Series 2006 A Bonds shall be deposited with the Depository Bank in the Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of issuance of the Series 2006 A Bonds at the written direction of the Issuer. Monies not to be applied immediately to pay such costs of issuance may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 120 days following the Closing Date for the Series 2006 A Bonds, such unapplied proceeds shall be transferred by the Issuer to the Series 2006 A Bonds Sinking Fund established in Section 4.02 hereof and applied to the next ensuing payment of interest on the Series 2006 A Bonds. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such monies until so applied in favor of the Holders of the Series 2006 A Bonds from which such proceeds are derived.

5. The balance of Series 2006 A Bonds proceeds, if any, shall be deposited in the Series 2006 A Bonds Construction Trust Fund and disbursed as provided in Section 3.15 hereof.

Section 3.15. Disbursements from the Series 2006 A Bonds Construction Trust Fund.

Disbursements from the Series 2006 A Bonds Construction Trust Fund, except for payment of Costs of Issuance of the Series 2006 A Bonds in excess of the monies available in the Costs of Issuance Fund which shall be made upon request of the Issuer, shall be made only for acquisition and construction of the Project, including all necessary engineering and other professional services relating thereto. Pending such application, monies in the Series 2006 A Bonds Construction Trust Fund, including any accounts therein, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE IV

SYSTEM REVENUES; FUNDS AND ACCOUNTS

Section 4.01. Establishment of Funds and Accounts with Depository Bank. Pursuant to this Article IV, the following special funds are created with (or continued if previously established by the Prior Ordinances), and shall be held by, the Depository Bank, segregated from all other funds and accounts of the Depository Bank or the Issuer and from each other and used solely for the purposes provided herein:

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

(2) Depreciation Fund (established by the Prior Ordinances);

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

(4) Costs of Issuance Fund;

(5) Rebate Fund (established by the Prior Ordinances); and

(6) Series 2006 A Bonds Construction Trust Fund;

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

(1) Series 2006 A Bonds Sinking Fund;

(a) Within the Series 2006 A Bonds Sinking Fund:

(i) Series 2006 A Bonds Reserve Account; and

(ii) Series 2006 A Bonds Redemption Account.

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

A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited by the Issuer in the Revenue Fund. The Revenue Fund

shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided. All Revenues at any time remaining on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the interest on the Prior Bonds; and (ii) commencing 7 months prior to the first interest payment date of the Series 2006 A Bonds, for deposit in the Series 2006 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the Series 2006 A Bonds on the next ensuing semiannual interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2006 A Bonds Sinking Fund and the next ensuing semiannual interest payment date is more or less than 7 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date; provided further that, the initial amount required to be transferred from the Revenue Fund and deposited in the Series 2006 A Bonds Sinking Fund shall be reduced by the amount of accrued interest on the Series 2006 A Bonds deposited therein.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Bond Commission (i) for deposit in the Sinking Funds of the Prior Bonds the amounts required by the Prior Ordinances to pay the principal of the Prior Bonds; and (ii) commencing 13 months prior to the first principal payment date or mandatory Redemption Date of the Series 2006 A Bonds, for deposit in the Series 2006 A Bonds Sinking Fund and in the Series 2006 A Bonds Redemption Account therein in the case of the Term Bonds which are to be redeemed, a sum equal to 1/12th of the amount of principal which will mature or be redeemed and become due on the Series 2006 A Bonds on the next ensuing annual principal payment date or mandatory Redemption Date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2006 A Bonds Sinking Fund and the next ensuing annual principal payment date or mandatory Redemption Date is more or less than 13 months, then such monthly payments shall be decreased or increased proportionately to provide, 1

month prior to the next ensuing annual principal payment date or mandatory Redemption Date, the required amount of principal coming due on such date.

Moneys in the Series 2006 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2006 A Bonds, whether by maturity or redemption prior to maturity and, with respect to the Series 2006 A Bonds Reserve Account therein, any amounts necessary to fund such Reserve Account to maintain the Series 2006 A Bonds Reserve Account Requirement. Pending such use, such moneys shall be invested in accordance with Article V.

The Issuer shall not be required to make any further payments into the Series 2006 A Bonds Sinking Fund when the aggregate amount of funds therein, including the Series 2006 A Bonds Reserve Account therein, is at least equal to the aggregate principal amount of Series 2006 A Bonds then Outstanding, plus the amount of interest due or thereafter to become due on such Bonds then Outstanding.

As and when additional Bonds ranking on a parity with the Series 2006 A Bonds are issued, provision shall be made for additional deposits into the respective Sinking Funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirement thereof.

The payments into the Series 2006 A Bonds Sinking Fund shall be made on the first day of each month, except that, when the first day of any month shall be a Saturday, Sunday or legal holiday, then such payments shall be made on the next succeeding Business Day, and all such payments shall be remitted to the Bond Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Ordinance.

(3) The Issuer shall next, each month, transfer from the Revenue Fund and simultaneously remit to the Depository Bank for deposit into the Operation and Maintenance Fund the amount necessary to pay the current Operating Expenses of the System.

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

to the Bond Commission (i) for deposit in the Reserve Accounts of the Prior Bonds the amounts required by the Prior Ordinances; and (ii) for deposit in the Series 2006 A Bonds Reserve Account, an amount sufficient to remedy any decrease in value of the Series 2006 A Bonds Reserve Account below the Series 2006 A Bonds Reserve Requirement or any withdrawal from the Series 2006 A Bonds Reserve Account, beginning with the first full calendar month following the date on which (a) the valuation of investments in the Series 2006 A Bonds Reserve Account results in a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Series 2006 A Bonds Reserve Account is less than the Series 2006 A Bonds Reserve Requirement, or (b) any amount is withdrawn from the Series 2006 A Bonds Reserve Account for deposit into the Series 2006 A Bonds Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefor, the amount so deposited shall be used to restore the amount of moneys on deposit in the Series 2006 A Bonds Reserve Account to an amount equal to the Series 2006 A Bonds Reserve Requirement to the full extent that such Gross Revenues are available; provided however, that if the shortfall in the Series 2006 A Bonds Reserve Account is due to a decrease in value of investments therein, such shortfall shall be replenished by not less than 6 equal monthly payments, and if such shortfall is due to a withdrawal from the Series 2006 A Bonds Reserve Account, such shortfall shall be replenished by not less than 12 equal monthly payments, and provided further, that no payments shall be required to be made into the Series 2006 A Bonds Reserve Account whenever and as long as the amount on deposit therein shall be equal to the Series 2006 A Bonds Reserve Requirement.

Amounts in the Series 2006 A Bonds Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Series 2006 A Bonds when due, when amounts in the Series 2006 A Bonds Sinking Fund are insufficient therefor and for no other purpose.

(5) The Issuer shall next, from the moneys remaining in the Revenue Fund, on the first day of each month, transfer to the Depreciation Fund a sum equal to not less than 5% of the Gross Revenues each month (as previously set forth in the Prior Ordinances and not in addition thereto), exclusive of any payments for account of any Reserve Account.

Withdrawals and disbursements may be made by the Issuer from the Depreciation Fund only for the following purposes and in the following order of priority:

(a) To make up any deficiency in any Reserve Account (so that the amount on deposit therein is at least equal to the applicable Reserve Account Requirement);

(b) For the payment of the principal (including the principal amount to be paid under the mandatory redemption schedules) of or interest on the Bonds, but only in the event that at the time of such withdrawal there are not sufficient funds for such purpose in the Sinking Funds (including the Reserve Accounts);

(c) For the payment of the reasonable costs of land and depreciable renewals, repairs, extensions, improvements and additions to the System; and

(d) Upon resolution of the Issuer, moneys in the Depreciation Fund in excess of $1,000,000 may be transferred by the Issuer to the Redemption Account and used for optional redemption or for purchase of Bonds. In the event of purchase of Bonds, the Issuer may direct the purchase of Bonds offered for sale at the lowest price below the redemption price of such Bonds.

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

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

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

foregoing, however, the Bond Commission shall deposit all remittances in the fund or account in the priority established by this Ordinance.

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

D. Principal and interest payments, and any payments made for the purpose of funding the Reserve Accounts, shall be made on a parity basis and pro-rata, with respect to the Prior Bonds, the Series 2006 A Bonds and any parity Bonds hereinafter issued, in accordance with the respective principal amounts of each such series of Bonds then Outstanding, if less than the full amount required hereby.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE; REBATES AND CONTINUING DISCLOSURE CERTIFICATE

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

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

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

(A) Qualified Investments acquired for the Depreciation Fund or the Series 2006 A Bonds Reserve Account shall mature or be subject to retirement at the option of the holder within not more than 3 years from the date of such investment.

(B) The Issuer shall, or shall cause the Bond Commission to, semiannually transfer from the Series 2006 A Bonds Reserve Account to the Series 2006 A Bonds Sinking Fund any earnings on the moneys deposited therein and any other funds in excess of the Reserve Account Requirement; provided, however, that there shall at all times remain on deposit in the Series 2006 A Bonds Reserve Account an amount at least equal to the Reserve Account Requirement.

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal from the Series 2006 A Bonds Reserve Account, whereupon it shall be valued immediately after such

withdrawal. If amounts on deposit in the Series 2006 A Bonds Reserve Account shall, at any time, be less than the Reserve Requirement, the applicable Bond Insurer, if any, shall be notified immediately of such deficiency, and such deficiency shall be made up from the first available Gross Revenues after required deposits to the Series 2006 A Bonds Sinking Fund and otherwise in accordance with Section 4.03.

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

(E) Notwithstanding the foregoing, all moneys deposited in the Series 2006 A Bonds Sinking Fund may be invested by the Bond Commission in the West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6(c) of the Code of West Virginia, 1931, as amended.

Section 5.02. Arbitrage. The Issuer covenants that (i) it will restrict the use of the proceeds of the Series 2006 A Bonds in such manner and to such extent as may be necessary, so that such Series 2006 A Bonds will not constitute "arbitrage bonds" under Section 148 of the Code and Regulations prescribed thereunder, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a Federal information return with respect to such Bonds) so that the interest on the Series 2006 A Bonds will be and remain excluded from gross income for Federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 5.03. Tax Certificate, Rebates and Rebate Fund. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of any series of Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2006 A Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Ordinance.

The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or

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

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

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants Binding and Irrevocable. All the covenants, agreements and provisions of this Ordinance shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2006 A Bonds, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Ordinance, the Issuer hereby covenants and agrees with the Holders of the Series 2006 A Bonds as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2006 A Bonds or the interest thereon, are Outstanding and unpaid.

Section 6.02. Bonds not to be Indebtedness of the Issuer. The Series 2006 A Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness but shall be payable solely from the Gross Revenues of the System, the moneys in the Series 2006 A Bonds Sinking Fund and the Series 2006 A Bonds Reserve Account therein and the unexpended proceeds of the Series 2006 A Bonds, all as herein provided. No Holder or Holders of the Series 2006 A Bonds issued hereunder shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2006 A Bonds or the interest thereon.

Section 6.03. Series 2006 A Bonds Secured by Parity Pledge of Gross Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of all of the Series 2006 A Bonds issued hereunder shall be secured forthwith equally and ratably with each other by a first lien on the Gross Revenues derived from the operation of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds, and all moneys in the Series 2006 A Bonds Sinking Fund, including the Series 2006 A Bonds Reserve Account therein. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 2006 A Bonds herein authorized, and to make the payments into the Series 2006 A Bonds Sinking Fund, all moneys and securities in the Series 2006 A Bonds Sinking Fund, including the Series 2006 A Bonds Reserve Account therein, and all other payments provided for in this Ordinance, are hereby irrevocably pledged in the manner provided in this Ordinance to the payment of the principal of and interest on the Prior Bonds and the Series 2006 A Bonds herein authorized as the same become due and for the other purposes provided in this Ordinance.

Section 6.04. Rates. Prior to the issuance of the Series 2006 A Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or

schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder. Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that: (a) so long as the Series 1997 Bonds are outstanding, the schedule or schedules of rates or charges from time to time enacted with all appeals having expired, shall be sufficient at all times to produce projected annual Net Revenues equal to not less than the sum of (i) 125% of the Maximum Annual Debt Service on the Bonds in any Fiscal Year, and (ii) the amount, if any, required to be deposited in the Reserve Account in order to satisfy the Reserve Account Requirement within a period of not more than 12 months, assuming equal payments are made each month; (b) so long as the Series 2005 A Bonds are outstanding, the schedule or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System, to comply with the rate coverage required by the Prior Ordinances, so long as the Prior Bonds are outstanding, and thereafter, sufficient (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2006 Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Series 2006 Bonds including the Prior Bonds; provided that, in the event the amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2005 A Bonds Reserve Account and any Reserve Accounts for obligations on a parity with the Series 2005 A Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2005 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2005 A Bonds; and (c) so long as the Series 2006 Bonds are outstanding, the schedule or schedules of rates or charges in effect shall be sufficient, together with investment income, to produce Net Revenues sufficient to pay (i) 125% of the annual debt service on parity obligations, and (ii) 100% of the sum of (x) the amount, if any required to be deposited in the Reserve Account in order to satisfy the Reserve Account Requirement within a period of not more than 12 months, assuming equal payments are made each month, and (y) amounts required to meet any legal debt or other obligation of the System coming due in that period. All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System.

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

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

Section 6.06. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System except as provided in the Prior Ordinances. Additionally, so long as the Series 2006 A Bonds are Outstanding, the System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding, or to defease the pledge created by this Ordinance and the Prior Ordinances. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to the Bond Commission for deposit in the respective Sinking Funds, and otherwise as prescribed by Section 9.01. Any balance remaining after such defeasance shall be remitted to the Issuer by the Bond Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the 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 is not in excess of $100,000, the Issuer shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Revenue Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $100,000 but not in excess of $200,000, the Issuer shall first, in writing, determine with the written approval of the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer may then, if it be so advised, by resolution duly adopted, approve and concur in such finding and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $100,000 and not in excess of $200,000, shall be deposited by the Issuer into the Depreciation Fund. Such payments of such proceeds into the Depreciation Fund or the Redemption Account shall not reduce the amounts required to be paid into said funds by other provisions of this Ordinance.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of $200,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 60% in amount of Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 6.07. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except additional parity Bonds provided for in Section 6.08 hereof, payable from the Revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from the Gross Revenues with the Series 2006 A Bonds; and all obligations hereafter issued by the Issuer payable from the revenues of the System, except such additional Bonds, shall contain an express statement that such obligations are junior and subordinate as to lien on and source of and security for payment from such revenues and in all other respects to the Bonds.

The Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or, except with respect to such additional parity Bonds, being on a parity with the lien of the Series 2006 A Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2006 A Bonds and the interest thereon in this Ordinance or upon the System or any part thereof.

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

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

So long as the Series 1997 Bonds are outstanding, no such additional parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Clerk of the Issuer a written statement by Independent Accountants, reciting the conclusion that the Net Revenues actually derived from the System during the Fiscal Year preceding the date of the actual issuance of such additional parity Bonds, plus the increased

annual Net Revenues expected to be received after the date of issuance of such parity Bonds shall not be less than 125% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

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

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

So long as the Series 1997 Bonds are no longer outstanding and the Series 2005 A Bonds are outstanding, no Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by the Independent Certified Public Accountants reciting the parity coverage required by the Prior Ordinances, so long as the Prior Bonds are outstanding, and thereafter, 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, if any, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest, if any, on the following:

(1) The Bonds then Outstanding;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Bond Legislation then Outstanding; and

(3) The Parity Bonds then proposed to be issued.

So long as the Series 2006 A Bonds are outstanding, no such additional parity bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by an Independent Accountant, reciting the conclusion that the Net Revenues, together with investment income derived from the System, during the prior fiscal year or in any 12 consecutive months in the 18 months immediately preceding the date of the actual issuance of such additional parity bonds, shall not be less than 125% of the annual debt service during such period, and projected Net Revenues in each of the 3 succeeding years, as adjusted for adopted rate increases for which all appeals have expired, shall not be less than 120% of Maximum Annual Debt Service (unless otherwise consented to by the insurer) on the following:

(1) The Series 2006 A Bonds then Outstanding;

(2) The Prior Bonds Outstanding;

(3) Any additional parity bonds theretofore issued pursuant to the provisions contained in this Bond Legislation then Outstanding; and

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

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

The term "additional parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Series 2006 A Bonds, and all the covenants and other provisions of this Ordinance (except as to details of such additional parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Series 2006 A Bonds, the Prior Bonds and the Holders of any additional parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Gross Revenues of the System, and their source of and security for payment from said Gross Revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Ordinance required for and on account of such additional parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Ordinance.

The term "additional parity Bonds," as used in this section, shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien on the Revenues of the System of which is subject to the prior and superior lien of the Bonds on such Revenues. Any such subordinate bonds, notes, certificates or other obligations shall be payable from Surplus Revenues. The Issuer shall not issue any obligations whatsoever payable from the Revenues of the System, or any part thereof, which rank prior to or equally, as to lien and source of and security for payment from such Revenues, with the Series 2006 A Bonds, except in the manner and under the conditions provided in this section.

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

Section 6.09. Insurance and Bonds. So long as the Prior Bonds are outstanding, the Issuer shall procure, carry and maintain insurance and bonds and workers' compensation coverage pursuant to the provisions of the Prior Ordinances. To the extent the provisions of the Prior Ordinances and this Ordinance are in conflict, the Issuer shall comply with the more stringent requirement. The Issuer hereby covenants and agrees, that so long as the Series 2006 A Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance and bonds and worker's compensation coverage with a reputable insurance carrier or carriers or bonding company or companies covering the following risks and in the following amounts:

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the greater of the fair appraised value or the original cost thereof. In the time of war the Issuer will also carry and maintain insurance to the extent available against risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Depreciation Fund and used only for the repairs and restoration of the damaged and destroyed properties or for the other purposes provided herein for the Depreciation Fund.

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

C. WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing directly with the Issuer and such payment bonds will be filed with the Clerk of the County Commission of the County in which such work is to be performed prior to commencement of construction of any additions, extensions or improvements for the System in compliance with West Virginia Code, Section 38-2-39.

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

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

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

Section 6.10. Mandatory Sewer Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the sewerage facilities portion of the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by the sewerage facilities portion of the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the sewerage facilities portion 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 sewerage facilities portion of 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 6.11. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by its System; and, in the event the Issuer or any department, agency, instrumentality, officer or employee thereof shall avail himself of the facilities or services provided by the System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. Such charges shall be paid as they accrue, and the Issuer shall transfer from its general funds sufficient sums to pay such charges for service to any of its departments or properties. The revenues so received shall be deemed to be revenues derived from the operation of the System and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

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

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, the user of the services and facilities shall be delinquent until such time as all such rates and charges are fully paid and to the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent rates, rentals and other changes, if not paid, 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 and facilities of the System to all delinquent users of services and facilities of the System and will not restore such services of the System until all billing for charges for the services and facilities of the System, including penalties and reconnect fees, have been fully paid, or a payment agreement in compliance with the West Virginia Public Service Commission regulations has been entered.

Section 6.13. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of any franchise or permit to any person, firm, corporation or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

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

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

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

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

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

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

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

Section 6.15. Operating Budget. So long as the Series 1997 Bonds are outstanding, the Issuer shall comply with the requirements of the ordinance authorizing the Series 1997 Bonds. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, or at such earlier date required by its charter, prepare and adopt by resolution a detailed budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Original Purchaser and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Original Purchaser and to any Holder of Bonds or anyone acting for and in behalf of such Holder who requests the same.

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

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2006 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on such Series 2006 A Bonds during the term thereof is, under the terms of such Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2006 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2006 A Bonds during the term thereof is, under the terms of such Series 2006 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2006 A 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 2006 A Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System to which such Private Business Use is related.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2006 A Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2006 A Bonds to be directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2006 A Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take all actions that may be required of it so that the interest on the Series 2006 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 6.17. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2006 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon the issuance of the Series 2006 A Bonds and shall be on a parity with one another and with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 6.18. Covenants Regarding the Municipal Bond Insurance Policy. The Issuer intends to obtain a Municipal Bond Insurance Policy for the Series 2006 A Bonds from the Bond Insurer. Certain additional covenants of the Issuer, which shall be set forth in full in the Supplemental Resolution, are required by the Bond Insurer as a condition to insuring the Series 2006 A Bonds, shall apply to the Series 2006 A Bonds and any other Bonds which may be insured by the Bond Insurer, and shall be controlling in the event any other provisions of this Ordinance may be in conflict therewith.

Section 6.19. Report of Consulting Engineers. So long as the Series 1997 Bonds are outstanding, the Issuer shall, at least once each year retain recognized qualified independent Consulting Engineers to review the operation, maintenance and repair of the System and to report to the Issuer in writing their recommendations and comments pertaining to the System, including the rate coverage of the System for the Fiscal Year. Such annual report of the Consulting Engineers, or a summary thereof, shall be made available, upon

request, to the Original Purchaser, any Bond Insurer and any Bondholder. Upon the payment of the Series 1997 Bonds, such report shall not be required.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2006 A Bonds:

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

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

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

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

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

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

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

(C) Bring suit upon the Bonds;

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

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

No remedy by the terms of this Ordinance conferred upon or reserved to the Holders is intended to be exclusive of any other remedy, but each and every such remedy

shall be cumulative and shall be in addition to any other remedy given to the Holders hereunder or now or hereafter existing at law or by statute.

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

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

Section 7.03. Appointment of Receiver. If there be any Event of Default existing and continuing, any Holder or any Bond Insurer shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of the principal of and interest on the Series 2006 A Bonds, the deposits into the funds and accounts hereby established as herein provided and the payment of Operating Expenses of the System and to apply such rates, rentals, fees, charges or other Revenues in conformity with the provisions of this Ordinance and the Act.

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

Whenever all that is due upon the Series 2006 A Bonds issued pursuant to this Ordinance and interest thereon and under any covenants of this Ordinance for reserve, sinking or other funds and accounts and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the Revenues of the System shall have been paid and made good, and all defaults under the provisions of this Ordinance shall have been cured and made good, possession of the System shall be surrendered to the Issuer upon the entry of an order of the court to that effect. Upon any subsequent default, any Holder shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

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

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

Notwithstanding any other provision of this Ordinance, in determining whether the rights of the Holders will be adversely affected by any action taken pursuant to the terms and provisions of this Ordinance, any trustee or Holder's committee shall consider the effect on the Holders as if no Municipal Bond Insurance Policy were then in effect.

Section 7.04. Restoration of Issuer and Holder. In case any Holder 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 Holder shall be restored to their former positions and rights hereunder, and all rights and remedies of such Holder shall continue as if no such proceedings had been taken.

ARTICLE VIII

REGISTRAR, PAYING AGENT AND DEPOSITORY BANK

Section 8.01. Appointment of Registrar, Paying Agent and Depository Bank. The Registrar, Paying Agent and Depository Bank (collectively, the "Fiduciaries") for the Series 2006 A Bonds shall be appointed pursuant to the Supplemental Resolution. The Issuer is hereby authorized and directed to enter into an agreement with the Fiduciaries, the substantial form of which agreement is to be approved by Supplemental Resolution.

Section 8.02. Responsibilities of Fiduciaries. The recitals of fact in the Series 2006 A Bonds shall be taken as statements of the Issuer, and the Fiduciaries shall not be responsible for their accuracy. The Fiduciaries shall not be deemed to make any representation as to, and shall not incur any liability on account of, the validity of the execution of any Series 2006 A Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication on the Series 2006 A Bonds. The Fiduciaries and any successor thereto shall agree to perform all the duties and responsibilities spelled out in this Ordinance and any other duties and responsibilities incident thereto, all as provided by said agreement described in Section 8.01.

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

Section 8.04. Compensation and Expenses. The Issuer shall pay to the Fiduciaries from time to time reasonable compensation for all services, including the transfer of registration of Series 2006 A Bonds, the first exchange of Series 2006 A Bonds and the exchange of Series 2006 A Bonds in the event of partial redemption, incurred in the performance of their duties hereunder.

Section 8.05. Certain Permitted Acts. The Registrar may become the owner of or may deal in Series 2006 A Bonds as fully and with the same rights it would have if it were not Registrar. To the extent permitted by law, the Registrar may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Holders or effect or aid in any reorganization growing out of the enforcement of the Series 2006 A Bonds or this Ordinance, whether or not any such committee shall represent the Holders of a majority in principal amount of the Series 2006 A Bonds Outstanding.

Section 8.06. Resignation of Registrar. The Registrar may at any time resign and be discharged of its duties and obligations under this Ordinance by giving not less than 60 days' written notice to the Issuer and publishing in an Authorized Newspaper notice (or mailing such notice to each Holder in the event all Series 2006 A Bonds are fully registered), specifying the date when such resignation shall take effect, within 20 days after the giving of such written notice. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Such resignation shall take effect upon the day specified in such notice unless a successor shall have been previously appointed by the Issuer or bondholders, in which event such resignation shall take effect immediately.

Section 8.07. Removal. The Registrar may be removed at any time by the Issuer or by the Holders of a majority in principal amount of the Series 2006 A Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer or by such Holders or their attorneys duly authorized in writing and delivered to the Issuer, as the case may be. Copies of each such instrument shall be delivered by the Issuer to the Registrar.

Section 8.08. Appointment of Successor. In case at any time the Registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Registrar or of its property shall be appointed, or if any public officer or court shall take charge or control of the Registrar or of its property or affairs, a successor may be appointed by the Holders of a majority in principal amount of the Series 2006 A Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Holders or their attorneys duly authorized in writing and delivered to the Issuer and such successor Registrar, notification thereof being given to the predecessor Registrar. Pending such appointment, the Issuer shall forthwith appoint a Registrar to fill such vacancy until a successor Registrar shall be appointed by such Holders. The Issuer shall publish in an Authorized Newspaper (or mail to each Holder in the event all Series 2006 A Bonds are fully registered) notice of any such appointment within 20 days after the effective date of such appointment. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Any successor Registrar appointed by the Issuer shall, immediately and without further act, be superseded by a Registrar appointed by such Holders. If in a proper case no appointment of a successor Registrar shall be made within 45 days after the Registrar shall have given to the Issuer written notice of resignation or after the occurrence of any other event requiring such appointment, the Registrar or any Holder may apply to any court of competent jurisdiction to appoint a successor. Any Registrar appointed under the provisions of this section shall be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance.

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

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

Section 8.11. Adoption of Authentication. In case any of the Series 2006 A Bonds shall have been authenticated but not delivered, any successor Registrar may adopt a Certificate of Authentication and Registration executed by any predecessor Registrar and deliver such Series 2006 A Bonds so authenticated, and, in case any Series 2006 A Bonds shall have been prepared but not authenticated, any successor Registrar may authenticate such Series 2006 A Bonds in the name of the predecessor Registrar or in its own name.

Section 8.12. Paying Agent and Depository Bank. The Registrar shall also serve as the Paying Agent and Depository Bank. The Registrar's acceptance of the duties and responsibilities of the Registrar expressed in Section 8.02 shall also include the trusts and the duties of Paying Agent and Depository Bank. Any alternate Paying Agent must be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Series 2006 A Bonds shall be and remain DTC-eligible.

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

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

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

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

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

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 9.01. Defeasance; Discharge of Pledge of Ordinance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 2006 A Bonds the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, then this Ordinance and the pledges of the Gross Revenues and other moneys and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Holders of the Series 2006 A Bonds made hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due the respective principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 2006 A Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Bond Commission or an escrow trustee either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on said Series 2006 A Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of said Series 2006 A Bonds prior to the maturity thereof, on and prior to said redemption date. Neither securities nor moneys deposited with the Bond Commission or an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Series 2006 A Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on said Bonds on and prior to such maturity or redemption dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Ordinance. This Ordinance and any Supplemental Resolution may be amended or modified without the consent of any Holder or other person, solely for the purpose of maintaining the tax-exempt status of the Series 2006 A Bonds, provided that, in the event any of the Series 2006 A Bonds are insured, no such amendment or modification which adversely affects the security for such Series 2006 A Bonds or the rights of the applicable Bond Insurer for such Series 2006 A Bonds may be effected without the written consent of such Bond Insurer. Otherwise, no materially adverse amendment or modification to this Ordinance, or of any Supplemental Resolution, may be made without the written consent of the Holders of 60% in aggregate principal amount of the Series 2006 A Bonds then Outstanding and affected thereby and the Bond Insurer, which must be filed with the Clerk of the Issuer before any such modification or amendment may be made. No such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Series 2006 A Bond without the express written consent of the Holder of such Bond, nor reduce the percentage of Series 2006 A Bonds required for consent to any such modification or amendment.

Section 10.02. Evidence of Signatures of Holders and Ownership of Series 2006 A Bonds. Any request, consent, revocation of consent or other instrument which this Ordinance may require or permit to be signed and executed by Holders may be in one or more instruments of similar tenor, and shall be signed or executed by such Holders in person or by their attorneys duly authorized in writing. Proof of the execution of any such instrument, or of an instrument appointing or authorizing any such attorney, shall be sufficient for any purpose of this Ordinance if made in the following manner, or in any other manner satisfactory to the Issuer or the Registrar, as the case may be, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

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

B. The authority of a person or persons to execute any such instrument on behalf of a corporate Holder may be established without further proof if such instrument is

signed by a person purporting to be the president or treasurer or a vice-president or an assistant treasurer of such corporation with a corporate seal affixed, and is attested by a person purporting to be its secretary or assistant secretary.

C. The amount of fully registered Series 2006 A Bonds held by a person executing any instrument as a Holder, the date of his holding such Series 2006 A Bonds and the numbers and other identification thereof, shall be confirmed by the Bond Register.

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

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

Section 10.04. Cancellation of Series 2006 A Bonds. All Series 2006 A Bonds purchased or paid shall, if surrendered to the Issuer, be canceled and delivered to the Registrar, or, if surrendered to the Registrar, be canceled by it. No such Series 2006 A Bonds shall be deemed Outstanding under this Ordinance and no Series 2006 A Bonds shall be issued in lieu thereof. All such Series 2006 A Bonds shall be canceled and upon order of the Issuer shall be destroyed, and a certificate evidencing such destruction shall be delivered to the Issuer.

Section 10.05. Failure to Present Series 2006 A Bonds. Anything in this Ordinance to the contrary notwithstanding, any moneys held by the Bond Commission or a Paying Agent in trust for the payment and discharge of any of the Series 2006 A Bonds which remain unclaimed for 1 year after the date on which such Series 2006 A Bonds have become due and payable, whether by maturity or upon call for redemption, shall at the written request of the Issuer be paid by the Bond Commission or said Paying Agent to the Issuer as its absolute property and free from trust, and the Bond Commission or said Paying Agent shall thereupon be released and discharged with respect thereto, and the Holders of such Series 2006 Bonds shall look only to the Issuer for the payment of such Series 2006 Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Bond Commission, or said Paying Agent shall send to the Holder, at the address listed on the Bond Register, by certified mail, a notice that such moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of such notice is mailed, the balance of such moneys then unclaimed will be returned to the Issuer. If any of said Series 2006 Bonds is a coupon Bond

the Registrar or said Paying Agent shall also publish such notice, not less than 30 days prior to the date such moneys will be returned to the Issuer, in an Authorized Newspaper.

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

CITY

The City of Wheeling
City County Building
1500 Chapline Street
Wheeling, West Virginia 26003
Attention: Mayor

REGISTRAR AND PAYING AGENT

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

DEPOSITORY BANK

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

ORIGINAL PURCHASER

Ferris, Baker Watts, Inc.
100 Laidley Tower
500 Lee Street
Charleston, West Virginia 25301

BOND INSURER

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

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

Section 10.07. No Personal Liability. No member of the Council or officer or employee of the Issuer shall be individually or personally liable for the payment of the principal of or the interest on any Series 2006 A Bond, but nothing herein contained shall relieve any such member, official or employee from the performance of any official duty provided by law or this Ordinance.

Section 10.08. Law Applicable. The laws of the State shall govern the construction of this Ordinance and of all Series 2006 A Bonds issued hereunder.

Section 10.09. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Issuer, the Registrar, the Paying Agent, the Holders of the Series 2006 A Bonds and the Original Purchaser, any right, remedy or claim under or by reason of this Ordinance. All the covenants, stipulations, promises and agreements contained in this Ordinance by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Registrar, the Paying Agent, the Holders of the Series 2006 A Bonds and the Original Purchaser.

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

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

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

Section 10.13. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the City Manager, Mayor, City Clerk and members of the Council were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 10.14. Procedure on Enactment of Ordinance; Public Hearing. Upon adoption of this Ordinance, the Clerk is hereby authorized and directed to have an abstract of this Ordinance, which abstract has been determined by the Council to contain sufficient information to give notice of the contents of such Ordinance, published once each

week for 2 successive weeks, with not less than six full days between each publication, the first such publication to be not less than 10 days before the date stated below for the public hearing, in The Intelligencer, a newspaper published and having a general circulation in The City of Wheeling, together with a notice to all persons concerned, stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds described in this Ordinance and that any person interested may appear before the Council of the Issuer at the public hearing to be had at a public meeting of the Council on July 5, 2006, at 7:30 p.m., and present protests, and that a certified copy of this Ordinance is on file with the Clerk for review by interested parties during the office hours of the Clerk. At such hearing all protests and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises.

First Reading:	June 6, 2006
Second Reading:	June 21, 2006
Passed on Final Reading Following Public Hearing:	July 5, 2006

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

Enacted this 5th day of July, 2006.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the Council of THE CITY OF WHEELING at a regular meeting of the Council held at 7:30 p.m., on July 5, 2006, pursuant to proper notice, at which meeting a quorum was present and acting throughout, and which Ordinance was enacted following a public hearing thereon, notice of which public hearing was published once a week for two successive weeks in a newspaper having a general circulation in The City of Wheeling, the first publication having been not less than 10 days prior to such public hearing.

Dated this 26th day of September, 2006.

[SEAL]

Janice L. Jones

City Clerk

EXHIBIT A - SERIES 2006 A BOND FORM

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

No. AR-_____ $_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____

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

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

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

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $_____ designated "The City of Wheeling (West Virginia) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____ 1, 2006, the proceeds of which are to be used (i) to finance the costs of currently refunding the Issuer's Series 2003 A Bonds, (ii) to finance the costs of acquisition and construction of extensions, additions, betterments and improvements to the combined waterworks and sewerage system of the Issuer, (iii) to fund the Series 2006 A Bonds Reserve Account, and (iv) to pay certain costs of issuance of the Series 2006 A Bonds and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on _____, 2006, and supplemented by supplemental resolutions adopted by said Council on _____, 2006, and _____, 2006 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights,

limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

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

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

Period During Which Redeemed (Dates Inclusive)	Redemption Price

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

Bonds Maturing

Year ( )	Principal Amount

Bonds Maturing

Year ( )	Principal Amount

* Final Maturity

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

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

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

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT WITH THE FOLLOWING

OUTSTANDING REVENUE BONDS OF THE ISSUER: (i) THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1997, DATED JANUARY 1, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $20,600,000 (THE "SERIES 1997 BONDS"), AND (ii) THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS") (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is additionally secured, but only to the extent described in the Statement of Insurance printed on the Bonds, by a policy of municipal bond insurance issued by _____.

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2006 A Bonds Sinking Fund and the Series 2006 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2006 A Bonds Sinking Fund and the Series 2006 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer has covenanted and agreed to fix, establish and collect just and equitable rates or charges for the use of the services and facilities of the System and to revise the same from time to time as will always be sufficient to pay all operating expenses of the System and to leave a balance each year equal to at least 120% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds, for the terms of which reference is made to the Ordinance. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Ordinance, to which reference is here made for a detailed description thereof.

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

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

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

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

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

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

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

[SEAL]

(Manual or Facsimile Signature)
Mayor

(Manual or Facsimile Signature)
City Manger

ATTEST:

(Manual or Facsimile Signature)
City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

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

Dated: _____, _____.

_____,
as Registrar

By _____
Its Authorized Officer

(Form of)
ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____
_____

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

Dated: _____, _____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

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

THE CITY OF WHEELING
(WEST VIRGINIA)

COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BONDS, SERIES 2006 A

SUPPLEMENTAL PARAMETERS RESOLUTION

RESOLUTION OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING AND APPROVING CERTAIN PARAMETERS RELATING TO THE ISSUANCE OF THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, AND TERMS OF SUCH BONDS; AUTHORIZING CERTAIN DOCUMENTS RELATING TO THE BONDS; APPROVING A CONFORMED BOND ORDINANCE; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the City of Wheeling (the "Issuer"), in the County of Ohio, State of West Virginia, is a municipal corporation of said State, the governing body of which is this Council;

WHEREAS, this Council duly enacted on July 5, 2006, an ordinance (the "Ordinance") entitled:

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE ISSUER'S OUTSTANDING COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2003 A, AND THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, AND PAYING COSTS OF ISSUANCE AND RELATED COSTS, THROUGH THE ISSUANCE OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS,

SERIES 2006 A OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $14,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, such Ordinance provided for the issuance of the Bonds, for the purposes of (i) refunding the Issuer's outstanding Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A; (ii) paying costs of acquisition and construction of improvements and betterments to the combined waterworks and sewerage facilities of the Issuer; (iii) funding the Series 2006 A Bonds Reserve Account; and (iv) paying costs of issuance and related costs, all in accordance with the Act;

WHEREAS, the Ordinance further provided that the exact principal amount of the Bonds to be sold and the dates, maturities, interest rates, redemption provisions, price and other terms of the Bonds should be established, a Registrar, Paying Agent and Depository Bank be designated, that a Registrar Agreement be approved, that additional covenants and provisions relating to the Bonds be provided herein, and that other matters pertaining to the Bonds be provided for by a supplemental resolution of this Council;

WHEREAS, the Governing Body wishes to revise the Ordinance and approve a conformed Bond Ordinance (the "Ordinance") in the form attached hereto;

WHEREAS, the Bonds are proposed to be purchased by Ferris, Baker Watts, Incorporated (the "Original Purchaser"), pursuant to a Bond Purchase Agreement for the Bonds between the Original Purchaser and the Issuer (the "Bond Purchase Agreement");

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

WHEREAS, this Council deems it essential and desirable that this Resolution be adopted and that the Bonds be redesignated, a Conformed Bond Ordinance be approved, the Bond Purchase Agreement, the Continuing Disclosure Certificate, and the Registrar Agreement hereinafter provided for be entered into by the Issuer, that the Official Statement relating to the Bonds, hereinafter described, be approved, that certain parameters for the

prices, the maturity dates and amounts, and the interest rates of the Bonds, be fixed herein, all in accordance with said Ordinance;

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WHEELING HEREBY RESOLVES:

Section 1. The Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A (the "Series 2006 A Bonds") shall be sold to the Original Purchaser, in the original aggregate principal amount of not to exceed $14,000,000; shall be issued in fully registered form without coupons, in the denominations of $5,000 or integral multiples thereof for any period of maturity; shall be numbered from AR-1 consecutively upward in order of maturity; shall be dated such date, upon original issuance; shall bear interest at rates not to exceed 9.0% per annum, payable semiannually; shall mature in such principal amounts on such dates (with final maturity no later than August 1, 2046); shall be subject to such redemption provisions, all as shall subsequently be approved by the Mayor; and shall be substantially in the form set forth in the Ordinance. The Series 2006 A Bonds shall be signed by and on behalf of the City by its Mayor, City Manager and be countersigned by its City Clerk, which signatures may be either manual or facsimile signatures, and the seal of the City or a facsimile thereof shall be affixed to or imprinted thereon, provided that the authentication of the Series 2006 A Bonds shall be manually signed by the Registrar.

Section 2. The Mayor shall have the authority to approve the pricing and other final terms of the Series 2006 A Bonds, including the determination of when and whether to issue the Series 2006 A Bonds and to execute the Bond Purchase Agreement without further Council action or approval.

Section 3. The Issuer hereby approves the Conformed Bond Ordinance attached hereto as Exhibit A.

Section 4. The Bond Purchase Agreement by and between the Original Purchaser and the Issuer, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the Mayor thereof shall be and the same are hereby authorized, approved, and directed. The Mayor shall execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by the Mayor. The execution of the Bond Purchase Agreement by the Mayor shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Series 2006 A Bonds, including the payment of all necessary fees and expenses in connection therewith.

Section 5. The Continuing Disclosure Certificate delivered by the City, to be dated as of the date of delivery of the Series 2006 A Bonds, substantially in the form submitted to this meeting, shall be and the same is hereby approved. The Mayor shall execute and deliver the Continuing Disclosure Certificate with such changes, insertions and

omissions as may be approved by the Mayor. The execution of the Continuing Disclosure Certificate shall be conclusive evidence of any approval required by this Section.

Section 6. The Registrar Agreement by and between the Issuer and the Registrar designated herein, to be dated as of the date of delivery of the Series 2006 A Bonds, substantially in the form submitted to this meeting, shall be and the same is hereby approved. The Mayor shall execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be approved by the Mayor. The execution of the Registrar Agreement by the Mayor shall be conclusive evidence of any approval required by this Section.

Section 7. The distribution by the Original Purchaser of a Preliminary Official Statement (which is a "deemed final" official statement in accordance with SEC Rule 15c2-12), substantially in the form submitted to this meeting is hereby ratified and approved. The certificate of the Issuer relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the Mayor is hereby approved. The Official Statement to be substantially in the form of the Preliminary Official Statement, (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the Mayor) and the distribution of counterparts or copies thereof by the Underwriter are hereby approved. The Mayor shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved. The execution of the Official Statement by the Mayor shall be conclusive evidence of any approval required by this Section.

Section 8. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission for the purpose of serving in the capacity of Paying Agent for the Bonds.

Section 9. The Issuer does hereby appoint and designate United Bank, Inc., Charleston, West Virginia, for the purpose of serving in the capacity of Registrar for the Bonds.

Section 10. The Issuer does hereby appoint and designate United Bank, Inc., Wheeling, West Virginia, as Depository Bank for the Bonds.

Section 11. The firm of Ferris, Baker Watts, Incorporated, Charleston, West Virginia is hereby engaged for the purpose of serving as Underwriter with respect to the Series 2006 A Bonds.

Section 12. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby engaged for the purpose of serving as Bond Counsel with respect to the Series 2006 A Bonds.

Section 13. The notice addresses for the Registrar, Paying Agent, Depository Bank and Original Purchaser shall be as follows:

REGISTRAR

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

DEPOSITORY BANK

United Bank, Inc.
21 Twelfth Street
Wheeling, West Virginia 26003
Attention: Trust Department

PAYING AGENT

West Virginia Municipal Bond Commission
Suite 500
8 Capitol Street
Charleston, West Virginia 25301
Attention: Executive Director

ORIGINAL PURCHASER

Ferris, Baker Watts, Incorporated
100 Laidley Tower
500 Lee Street
Charleston, West Virginia 25301
Attention: Senior Vice President

Section 14. Proceeds of the Series 2006 A Bonds shall be applied as set forth in the Ordinance. The proceeds of the Series 2006 A Bonds representing accrued interest shall be deposited in the Series 2006 A Bonds Sinking Fund held by the Commission.

Section 15. The Council hereby covenants and agrees that it will not permit at any time or times any of the proceeds of the Series 2006 A Bonds or any other funds of the Council to be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any of the Series 2006 A Bonds to be an "arbitrage bond" as defined in Section 148 of the Code, and the regulations promulgated pursuant thereto. The Mayor of the City is authorized and directed to execute and deliver such further instruments or agreements as shall be required to provide further assurances of the City's compliance with this covenant.

Section 16. Under the provisions of the Act, and as provided in the Ordinance and the Series 2006 A Bonds, the principal of the Series 2006 A Bonds and the interest thereon do not constitute indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, but shall be payable solely from the Gross Revenues derived from the operation of the System of the Issuer and the Series 2006 A Bonds Reserve Account established by the Ordinance, and neither the credit nor the taxing power of the Issuer is pledged for, and no tax shall ever be levied for, payment of the Series 2006 A Bonds and the interest thereon.

Section 17. The Mayor, the City Manager, the City Clerk and all other appropriate officers and employees of the City are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the issuance of the Series 2006 A Bonds to the end that the Series 2006 A Bonds may be delivered at the earliest practicable date to the Original Purchaser.

Section 18. The Mayor, the City Manager, the City Clerk, and all other appropriate officers and employees of the City are hereby authorized, empowered and directed to do any and all things proper and necessary to cause the Series 2006 A Bonds to be duly and properly issued by the City and delivered to the Original Purchaser as herein authorized and to otherwise facilitate the transaction contemplated by this Resolution, and no further authority shall be necessary to authorize any such officers or employees to give such further assurance and do such further acts as may be legally required.

Section 19. This Resolution shall take effect immediately upon its adoption.

Adopted this 1st day of August, 2006.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

APPROVED AND CORRECT AS TO FORM:

City Attorney

CERTIFICATION

Certified a true, correct and complete copy of a Supplemental Parameters Resolution duly adopted by the City Council of the CITY OF WHEELING at a regular meeting of the City Council held at 7:00 p.m., on August 1, 2006, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated this 26th day of September, 2006.

[SEAL]

Bruce L Jones
City Clerk

07.29.06
964250.00042

EXHIBIT A

CONFORMED BOND ORDINANCE

THE CITY OF WHEELING
(WEST VIRGINIA)

COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BONDS, SERIES 2006 A

SECOND SUPPLEMENTAL AND AMENDATORY RESOLUTION

RESOLUTION OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING AND APPROVING A COMMITMENT FOR MUNICIPAL BOND INSURANCE FOR THE SERIES 2006 A BONDS; IMPLEMENTING PROVISIONS REQUIRED AS A CONDITION TO OBTAINING A MUNICIPAL BOND INSURANCE POLICY INSURING THE SERIES 2006 A BONDS FROM FINANCIAL SECURITY ASSURANCE INC.; DESIGNATING A DEPOSITORY BANK FOR THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A; APPROVING AND AUTHORIZING A CERTAIN AMENDMENT TO THE BOND ORDINANCE; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the City of Wheeling (the "Issuer"), in the County of Ohio, State of West Virginia, is a municipal corporation of said State, the governing body of which is this Council;

WHEREAS, this Council duly enacted a Bond Ordinance on July 5, 2006, and a Supplemental Parameters Resolution on August 1, 2006 (collectively, the "Ordinance"), approving the issuance of the Series 2006 A Bonds;

WHEREAS, the Supplemental Parameters Resolution set forth the Depository Bank for the Series 2006 A Bonds and the Issuer now desires to change the Depository Bank;

WHEREAS, the Issuer desires to designate a Registrar for the Bonds;

WHEREAS, the Issuer hereby desires to amend Section 6.04 of the Ordinance to include the amended coverage language which has been approved by FGIC

from the Series 1997 Ordinance, and to include all other coverage language required by the Prior Ordinances;

WHEREAS, the Issuer has obtained a commitment for Municipal Bond Insurance for the Series 2006 A Bonds from Financial Security Assurance Inc. (the "Bond Insurer") and has determined that it is advantageous for the Issuer to obtain such Municipal Bond Insurance Policy and provide herein for certain matters required by the Bond Insurer as a condition to issuing such Municipal Bond Insurance Policy for the Series 2006 A Bonds;

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

WHEREAS, this Council deems it essential and desirable that this Resolution be adopted, that Section 6.04 of the Ordinance be amended, the Commitment for Municipal Bond Insurance for the Series 2006 A Bonds be approved, the provisions required by the Bond Insurer for the Series 2006 A Bonds as a condition to issuing its Municipal Bond Insurance Policy be provided herein, that the Depository Bank for the Series 2006 A Bonds be changed, that the Registrar be approved, and making other provisions as to the Bonds;

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WHEELING HEREBY RESOLVES:

Section 1. The Issuer hereby consents to the following amendments to Section 6.04 of the Ordinance, as follows, with underlining indicating the revised language:

> Section 6.04. Rates. Prior to the issuance of the Series 2006 A Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder. Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that: (a) so long as the Series 1997 Bonds are outstanding, the schedule or schedules of rates or charges from time to time enacted with all appeals having expired, shall be sufficient at all times to produce projected annual Net Revenues equal to not less than the sum of (i) 125% of the Maximum Annual Debt Service on the Bonds in any Fiscal Year, and (ii) the amount, if any, required to be deposited in the Reserve Account in order to satisfy the Reserve Account Requirement within a period

of not more than 12 months, assuming equal payments are made each month; (b) so long as the Series 2005 A Bonds are outstanding, the schedule or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System, to comply with the rate coverage required by the Prior Ordinances, so long as the Prior Bonds are outstanding, and thereafter, sufficient (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2006 Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Series 2006 Bonds including the Prior Bonds; provided that, in the event the amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2005 A Bonds Reserve Account and any Reserve Accounts for obligations on a parity with the Series 2005 A Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2005 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2005 A Bonds; and (c) so long as the Series 2006 Bonds are outstanding, the schedule or schedules of rates or charges in effect shall be sufficient, together with investment income, to produce Net Revenues sufficient to pay (i) 125% of the annual debt service on parity obligations, and (ii) 100% of the sum of (x) the amount, if any required to be deposited in the Reserve Account in order to satisfy the Reserve Account Requirement within a period of not more than 12 months, assuming equal payments are made each month, and (y) amounts required to meet any legal debt or other obligation of the System coming due in that period. All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System.

Section 2. The Issuer hereby consents to the following amendments to Section 6.08 of the Ordinance, as follows, with underlining indicating the revised language:

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

No such additional parity Bonds shall be issued except for the purpose of financing the costs of the design, acquisition or construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto or the

Prior Bonds, or to pay claims which may exist against the revenues or facilities of the System, or all of such purposes.

So long as the Series 1997 Bonds are outstanding, no such additional parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Clerk of the Issuer a written statement by Independent Accountants, reciting the conclusion that the Net Revenues actually derived from the System during the Fiscal Year preceding the date of the actual issuance of such additional parity Bonds, plus the increased annual Net Revenues expected to be received after the date of issuance of such parity Bonds shall not be less than 125% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

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

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

So long as the Series 1997 Bonds are no longer outstanding and the Series 2005 A Bonds are outstanding, no Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by the Independent Certified Public Accountants reciting the parity coverage required by the Prior Ordinances, so long as the Prior Bonds are outstanding, and thereafter, 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, if any, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest, if any, on the following:

(1) The Bonds then Outstanding;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Bond Legislation then Outstanding; and

(3) The Parity Bonds then proposed to be issued.

So long as the Series 2006 A Bonds are outstanding, no such additional parity bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by an Independent Accountant, reciting the conclusion that the Net Revenues, together with investment income derived from the System, during the prior fiscal year or in any 12 consecutive months in the 18 months immediately preceding the date of the actual issuance of such additional parity bonds, shall not be less than 125% of the annual debt service during such period, and projected Net Revenues in each of the 3 succeeding years, as adjusted for adopted rate increases for which all appeals have expired, shall not be less than 120% of Maximum Annual Debt Service (unless otherwise consented to by the insurer) on the following:

(1) The Series 2006 A Bonds then Outstanding;

(2) The Prior Bonds Outstanding;

(3) Any additional parity bonds theretofore issued pursuant to the provisions contained in this Bond Legislation then Outstanding; and

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

The "increased annual Net Revenues expected to be received" 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 any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the date of delivery of such additional parity Bonds, and shall not exceed the amount to be stated in the aforementioned certificate of Independent Accountants, which shall be filed in the office of the Clerk of the Issuer prior to the issuance of such additional parity Bonds.

The term "additional parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Series 2006 A Bonds, and all the covenants and other provisions of this Ordinance (except as to details of such additional parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Series 2006 A Bonds, the Prior Bonds and the Holders of any additional parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Gross Revenues of the System, and their source of and security for payment from said Gross Revenues, without preference of

any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Ordinance required for and on account of such additional parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Ordinance.

The term "additional parity Bonds," as used in this section, shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien on the Revenues of the System of which is subject to the prior and superior lien of the Bonds on such Revenues. Any such subordinate bonds, notes, certificates or other obligations shall be payable from Surplus Revenues. The Issuer shall not issue any obligations whatsoever payable from the Revenues of the System, or any part thereof, which rank prior to or equally, as to lien and source of and security for payment from such Revenues, with the Series 2006 A Bonds, except in the manner and under the conditions provided in this section.

No additional parity Bonds, as in this section defined, shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Ordinance on account of the Bonds then Outstanding, if any (excluding the Depreciation Fund), and any other payments provided for in this Ordinance shall have been made in full as required to the date of delivery of the additional parity Bonds.

Section 3. The Issuer does hereby determine that the Municipal Bond Insurance Policy offered by the Bond Insurer for the Series 2006 A Bonds will result in an interest cost savings for the Issuer in excess of the premium to be paid by the Issuer for such Municipal Bond Insurance Policy, and accordingly accepts the Commitment for Municipal Bond Insurance (the "Commitment") of Financial Security Assurance Inc., dated September 1, 2006. The Mayor and City Manager are hereby authorized and directed to execute the approval of the Commitment and deliver the same to the Bond Insurer. Execution by the Mayor and City Manager of the Commitment shall be conclusive evidence of any approval required by this Section.

Section 4. Pursuant to the Commitment, and, as permitted by Section 6.18 of the Ordinance, the covenants and provisions which are required by the Bond Insurer as a condition precedent to issuance of its Municipal Bond Insurance Policy for the Series 2006 A Bonds are hereby set forth in Exhibit A, attached hereto and made a part hereof, such covenants and provisions to be supplemental and amendatory of, and controlling with respect to the Ordinance and applicable to the Series 2006 A Bonds.

Section 5. The Issuer wishes to change the Depository Bank which was previously approved by the Supplemental Parameters Resolution and does hereby appoint and designate WesBanco Bank, Wheeling, West Virginia, for the purpose of serving in the capacity of Depository Bank.

Section 6. The Issuer does hereby appoint and designate WesBanco Bank, Inc., Wheeling, West Virginia, for the purpose of serving in the capacity of Registrar. The Registrar Agreement by and between the Issuer and the Registrar, to be dated as of the date of delivery of the Bonds, substantially in the form submitted to this meeting, shall be and the same is hereby approved. The Mayor shall execute and deliver the Registrar Agreement with such changes, insertions and omissions as may be approved by the Mayor. The execution of the Registrar Agreement by the Mayor shall be conclusive evidence of any approval required by this Section.

Section 7. The notice addresses for the Registrar, Paying Agent, Depository Bank and the Bond Insurer shall be as follows:

REGISTRAR

WesBanco Bank, Inc.
1 Bank Plaza
Wheeling, West Virginia 26003-3543

DEPOSITORY BANK

Wesbanco Bank
1 Bank Plaza
Wheeling, West Virginia 26003-3543
Attn: Trust Department

PAYING AGENT

West Virginia Municipal Bond Commission
Suite 500
8 Capitol Street
Charleston, West Virginia 25301
Attention: Executive Director

BOND INSURER

Financial Security Assurance Inc.
31 West 52nd Street
New York, New York 10019

Section 8. This Resolution shall take effect immediately upon its adoption.

Adopted this 5th day of September, 2006.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

APPROVED AND CORRECT AS TO FORM:

City Attorney

CERTIFICATION

Certified a true, correct and complete copy of a Supplemental Parameters Resolution duly adopted by the City Council of the CITY OF WHEELING at a regular meeting of the City Council held at 7:00 p.m., on September 5, 2006, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated this 26th day of September, 2006.

[SEAL]

Janice L. Jones
City Clerk

08/28/06
964250.00042

EXHIBIT A - BOND TERMS

Series 2006 A Bonds

$2,570,000 Serial Bonds

Maturity Date (June 1)	Principal Amount	Interest Rate	Price	CUSIP
2008	$215,000.00	3.750%	100.287%	963270DS9
2009	$225,000.00	3.750%	100.427%	963270DT7
2010	$235,000.00	3.750%	100.474%	963270DU4
2011	$240,000.00	3.750%	100.465%	963270DV2
2012	$250,000.00	3.750%	100.351%	963270DW0
2013	$260,000.00	4.000%	101.579%	963270DX8
2014	$270,000.00	4.000%	101.450%	963270DY6
2015	$280,000.00	4.125%	102.156%	963270DZ3
2016	$290,000.00	4.125%	101.876%	963270EA7
2017	$305,000.00	4.125%	101.391%	963270DR1

$1,365,000.00 5.000% Term Bonds, Due June 1, 2021 at 106.549% 963270EB5
$2,095,000.00 4.250% Term Bonds, Due June 1, 2026 at 98.291% 963270EC3
$2,970,000.00 5.250%Term Bonds, Due June 1, 2036 at 106.554% 963270ED1
$3,000,000.00 4.750% Term Bonds, Due June 1, 2036 at 100.999% 963270EE9

The Series 2006 A Bonds are subject to redemption prior to the maturity thereof.

Optional Redemption

The Series 2006 A Bonds maturing on or after June 1, 2016 are subject to redemption prior to maturity at the option of the City at par.

Mandatory Sinking Fund Redemption

The Series 2006 A Bonds maturing June 1, 2021, June 1, 2026 and June 1, 2036, are subject to annual mandatory redemption prior to their respective stated maturity dates, as set forth in the Ordinance, by random selection of the years and in the principal amounts set forth below, at the Redemption Price of 100% of the principal amount of each Bond so called for redemption plus interest accrued to the date fixed for redemption:

Series 2006 A Bonds Maturing June 1, 2021

Year (June 1)	Principal Amount
2018	$315,000
2019	$335,000
2020	$350,000
2021*	$365,000

Series 2006 A Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2022	$385,000
2023	$400,000
2024	$420,000
2025	$435,000
2026*	$455,000

Series 2006 A Bonds 5.25% Maturing June 1, 2036

Year (June 1)	Principal Amount
2027	$235,000
2028	$250,000
2029	$260,000
2030	$275,000
2031	$285,000
2032	$300,000
2033	$315,000
2034	$335,000
2035	$350,000
2036*	$365,000

Series 2006 A Bonds 4.75% Maturing June 1, 2036

Year (June 1)	Principal Amount
2027	$240,000
2028	$250,000
2029	$265,000
2030	$275,000
2031	$290,000
2032	$305,000
2033	$320,000
2034	$335,000
2035	$350,000
2036*	$370,000

*Final maturity.

SPECIMEN

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-1 $215,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.75%	June 1, 2008	September 26, 2006	963270DS9

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED FIFTEEN THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2007 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each May 15 and November 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the hereinafter named Registrar by notice given to the Registered Owners not less than 10

days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the City maintained by Wesbanco Bank, Inc., Wheeling, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal office of the Paying Agent, in Charleston, West Virginia.

This Bond is one of an issue of a series of bonds, in the aggregate principal amount of $12,000,000 designated "The City of Wheeling (West Virginia) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A" (the "Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated September 26, 2006, the proceeds of which are to be used (i) to refund the Issuer's outstanding Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A Bonds, (ii) to pay a portion of the costs of acquisition and construction of additions, betterments and improvements to the existing water portion (the "Project") of the Issuer's combined waterworks and sewerage system (the "System"), (iii) to fund a reserve account for the Series 2006 A Bonds, and (iv) to pay certain costs of issuance and related costs. The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 20 of the Code of West Virginia, 1931, as amended (the "Act"), and an ordinance duly enacted by the Council of the Issuer on July 5, 2006, and supplemented by a Supplemental Parameters Resolution adopted by said Council on August 1, 2006, and a Second Supplemental and Amendatory Resolution dated September 5, 2006 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in The City of Wheeling, West Virginia.

Optional Redemption

The Series 2006 A Bonds maturing on or after June 1, 2016 are subject to redemption prior to maturity at the option of the City at par.

Mandatory Sinking Fund Redemption

The Bonds of this issue are subject to redemption prior to their stated maturity dates, as provided in the Ordinance and as set forth in the following lettered paragraphs:

Series 2006 A Bonds Maturing June 1, 2021

Year (June 1)	Principal Amount
2018	$315,000
2019	$335,000
2020	$350,000
2021*	$365,000

Series 2006 A Bonds Maturing June 1, 2026

Year (June 1)	Principal Amount
2022	$385,000
2023	$400,000
2024	$420,000
2025	$435,000
2026*	$455,000

Series 2006 A Bonds 5.25% Maturing June 1, 2036

Year (June 1)	Principal Amount
2027	$235,000
2028	$250,000
2029	$260,000
2030	$275,000
2031	$285,000
2032	$300,000
2033	$315,000
2034	$335,000
2035	$350,000
2036*	$365,000

Series 2006 A Bonds 4.75% Maturing June 1, 2036

Year (June 1)	Principal Amount
2027	$240,000
2028	$250,000
2029	$265,000
2030	$275,000
2031	$290,000
2032	$305,000
2033	$320,000
2034	$335,000
2035	$350,000
2036*	$370,000

*Final maturity.

If less than all the Bonds are to be redeemed, the Bonds to be redeemed shall be identified by reference to the Series designation, date of issue, CUSIP numbers and Maturity Dates.

Notice of any redemption of this Bond, unless waived, shall be given by the Registrar on behalf of the Issuer by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Bond.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE, SOURCE OF AND SECURITY FOR PAYMENT WITH THE FOLLOWING OUTSTANDING REVENUE BONDS OF THE ISSUER: (I) THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1997, DATED JANUARY 1, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $20,600,000 (THE "SERIES 1997 BONDS"), AND (ii) THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS") (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is additionally secured, but only to the extent described in the Statement of Insurance printed on the Bonds, by a policy of municipal bond insurance issued by Financial Security Assurance Inc.

The Bonds and the interest thereon are payable only from and are secured by the Gross Revenues (as defined in the Ordinance) to be derived from the operation of the System, on a parity with the pledge of

Gross Revenues in favor of the holders of the Prior Bonds and from moneys in the Series 2006 A Bonds Sinking Fund and the Series 2006 A Bonds Reserve Account established under the Ordinance, and the unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose and to make the other payments required by the Ordinance. This Bond does not constitute an indebtedness of the Issuer within any constitutional or statutory provision or limitation, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 2006 A Bonds Sinking Fund and the Series 2006 A Bonds Reserve Account and unexpended proceeds of the Bonds. Under the Ordinance, the Issuer covenants and agrees that: (a) so long as the Series 1997 Bonds are outstanding, the schedule or schedules of rates or charges from time to time enacted with all appeals having expired, shall be sufficient at all times to produce projected annual Net Revenues equal to not less than the sum of (i) 125% of the Maximum Annual Debt Service on the Bonds in any Fiscal Year, and (ii) the amount, if any, required to be deposited in the Reserve Account in order to satisfy the Reserve Account Requirement within a period of not more than 12 months, assuming equal payments are made each month; (b) after the Series 1997 Bonds are no longer outstanding and the Series 2005 A Bonds are outstanding, the schedule or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System, to comply with the rate coverage required by the Prior Ordinances, so long as the Prior Bonds are outstanding, and thereafter, sufficient (I) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2006 Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Series 2006 Bonds including the Prior Bonds; provided that, in the event the amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2005 A Bonds Reserve Account and any Reserve Accounts for obligations on a parity with the Series 2005 A Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2005 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2005 A Bonds; and (c) so long as the Series 2006 Bonds are outstanding, the schedule or schedules of rates or charges in effect shall be sufficient, together with investment income, to produce Net Revenues sufficient to pay (i) 125% of the annual debt service on parity obligations, and (ii) 100% of the sum of (x) the amount, if any required to be deposited in the Reserve Account in order to satisfy the Reserve Account Requirement within a period of not more than 12 months, assuming equal payments are made each month, and (y) amounts required to meet any legal debt or other obligation of the System coming due in that period.

All moneys received from the sale of the Bonds except for accrued interest thereon shall be applied solely to refund the Issuer's outstanding Series 2003 A Bonds, pay a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to waterworks portion of the System, fund a reserve account for the Bonds and pay costs of issuance of the Bonds, and there shall be, and hereby is, created and granted a lien upon such moneys, until so applied, in favor of the Registered Owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia, and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by said Issuer for the prompt payment of the principal of and interest on the Bonds of which this Bond is one.

This Bond, under the provisions of the Act is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the Ordinance.

This Bond is, under the Act, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

This Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, and the statutes under which this Bond is issued, shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, THE CITY OF WHEELING has caused this Bond to be signed by its City Manager and Mayor, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

Mayor

City Manager

SPECIMEN

ATTEST:

City Clerk

SPECIMEN

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the fully registered Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: September 26, 2006.

WESBANCO BANK, INC., as Registrar

By: _____
Its: Authorized Officer

SPECIMEN

STATEMENT OF INSURANCE

Financial Security Assurance Inc. ("Financial Security"), New York, New York, has delivered its municipal bond insurance policy with respect to the scheduled payments due of principal of and interest on this Bond to West Virginia Municipal Bond Commission, Charleston, West Virginia, or its successor, as paying agent for the Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy othereof may be obtained from Financial Security or the Paying Agent.

(Form of)
ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____ to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____, _____.

_____

SIGNATURE GUARANTEED:

_____
(Bank, Trust Company or Firm)

_____
(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

09/21/06
964250.00042

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-2

$225,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.75%	June 1, 2009	September 26, 2006	963270DT7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2007 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-3

$235,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.75%	June 1, 2010	September 26, 2006	963270DU4

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED THIRTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2007 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-4

$240,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.75%	June 1, 2011	September 26, 2006	963270DV2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED FORTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2007 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-5

$250,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
3.75%	June 1, 2012	September 26, 2006	963270DW0

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED FIFTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2007 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-6

$260,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.00%	June 1, 2013	September 26, 2006	963270DX8

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED SIXTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2007 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-7

$270,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.00%	June 1, 2014	September 26, 2006	963270DY6

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED SEVENTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2007 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-8

$280,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.125%	June 1, 2015	September 26, 2006	963270DZ3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED EIGHTY THOUSAND DOLLARS.

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2007 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-9 $290,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.125%	June 1, 2016	September 26, 2006	963270EA7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO HUNDRED NINETY THOUSAND DOLLARS

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Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-10 $305,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.125%	June 1, 2017	September 26, 2006	963270DR1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE HUNDRED FIVE THOUSAND DOLLARS

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Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-11 $1,365,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
5.00%	June 1, 2021	September 26, 2006	963270EB5

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION THREE HUNDRED SIXTY-FIVE THOUSAND DOLLARS

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Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-12 $2,095,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.250%	June 1, 2026	September 26, 2006	963270EC3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO MILLION NINETY-FIVE THOUSAND DOLLARS

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Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-13

$2,970,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
5.250%	June 1, 2036	September 26, 2006	963270ED1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO MILLION NINETY HUNDRED SEVENTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF WHEELING, a municipal corporation organized and existing under the laws of the State of West Virginia (the "City"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, or, if and to the extent that the City shall default in the payment of interest on any Interest Payment Date, then this Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and in which case any Bond surrendered for transfer or exchange shall be dated as of the Interest Payment Date to which interest has been paid in full, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1, in each year, beginning June 1, 2007 (each an "Interest Payment Date"), until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Except as otherwise provided in the Ordinance, this global bond may be transferred, in whole but not in part, only to another nominee of DTC (as defined in the Ordinance) or to a successor of DTC or to a nominee of a successor of DTC. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. AR-14

$3,000,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING, WEST VIRGINIA
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2006 A

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.
4.750%	June 1, 2036	September 26, 2006	963270EE9

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION DOLLARS

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FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Sources & Uses

Dated 09/26/2006 | Delivered 09/26/2006

Sources Of Funds	
Par Amount of Bonds	$12,000,000.00
Reoffering Premium	306,639.45
Transfer from Series 2003 A Bond Funds	182,666.00
Total Sources	**$12,489,305.45**

Uses Of Funds	
Total Underwriter's Discount (0.975%)	117,000.00
Costs of Issuance	109,000.00
Gross Bond Insurance Premium (85.0 bp)	193,676.63
Deposit to Debt Service Reserve Fund (DSRF)	775,237.50
Deposit to Project Construction Fund	10,854,546.99
Payoff of the Series 2003 A	439,844.33
Total Uses	**$12,489,305.45**

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price		Dollar Price
06/01/2008	Serial Coupon	3.750%	3.570%	215,000.00	100.287%		215,617.05
06/01/2009	Serial Coupon	3.750%	3.580%	225,000.00	100.427%		225,960.75
06/01/2010	Serial Coupon	3.750%	3.610%	235,000.00	100.474%		236,113.90
06/01/2011	Serial Coupon	3.750%	3.640%	240,000.00	100.465%		241,116.00
06/01/2012	Serial Coupon	3.750%	3.680%	250,000.00	100.351%		250,877.50
06/01/2013	Serial Coupon	4.000%	3.730%	260,000.00	101.579%		264,105.40
06/01/2014	Serial Coupon	4.000%	3.780%	270,000.00	101.450%		273,915.00
06/01/2015	Serial Coupon	4.125%	3.830%	280,000.00	102.156%		286,036.80
06/01/2016	Serial Coupon	4.125%	3.890%	290,000.00	101.876%		295,440.40
06/01/2017	Serial Coupon	4.125%	3.950%	305,000.00	101.391%	c	309,242.55
06/01/2021	Term 1 Coupon	5.000%	4.170%	1,365,000.00	106.549%	c	1,454,393.85
06/01/2026	Term 2 Coupon	4.250%	4.380%	2,095,000.00	98.291%		2,059,196.45
06/01/2036	Term 3 Coupon	5.250%	4.410%	2,970,000.00	106.554%	c	3,164,653.80
06/01/2036	Term 4 Coupon	4.750%	4.620%	3,000,000.00	100.999%	c	3,029,970.00
Total	-	-	-	**$12,000,000.00**	-	-	**$12,306,639.45**

Bid Information

Par Amount of Bonds	$12,000,000.00
Reoffering Premium or (Discount)	306,639.45
Gross Production	$12,306,639.45
Total Underwriter's Discount (0.975%)	$(117,000.00)
Bid (101.580%)	12,189,639.45
Total Purchase Price	$12,189,639.45
Bond Year Dollars	$224,671.67
Average Life	18.723 Years
Average Coupon	4.8005546%
Net Interest Cost (NIC)	4.7161473%
True Interest Cost (TIC)	4.6304048%

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Debt Service Schedule

Date	Principal	Interest	Total P+I
06/01/2007	-	378,861.02	378,861.02
06/01/2008	215,000.00	556,693.76	771,693.76
06/01/2009	225,000.00	548,631.26	773,631.26
06/01/2010	235,000.00	540,193.76	775,193.76
06/01/2011	240,000.00	531,381.26	771,381.26
06/01/2012	250,000.00	522,381.26	772,381.26
06/01/2013	260,000.00	513,006.26	773,006.26
06/01/2014	270,000.00	502,606.26	772,606.26
06/01/2015	280,000.00	491,806.26	771,806.26
06/01/2016	290,000.00	480,256.26	770,256.26
06/01/2017	305,000.00	468,293.76	773,293.76
06/01/2018	315,000.00	455,712.50	770,712.50
06/01/2019	335,000.00	439,962.50	774,962.50
06/01/2020	350,000.00	423,212.50	773,212.50
06/01/2021	365,000.00	405,712.50	770,712.50
06/01/2022	385,000.00	387,462.50	772,462.50
06/01/2023	400,000.00	371,100.00	771,100.00
06/01/2024	420,000.00	354,100.00	774,100.00
06/01/2025	435,000.00	336,250.00	771,250.00
06/01/2026	455,000.00	317,762.50	772,762.50
06/01/2027	475,000.00	298,425.00	773,425.00
06/01/2028	500,000.00	274,687.50	774,687.50
06/01/2029	525,000.00	249,687.50	774,687.50
06/01/2030	550,000.00	223,450.00	773,450.00
06/01/2031	575,000.00	195,950.00	770,950.00
06/01/2032	605,000.00	167,212.50	772,212.50
06/01/2033	635,000.00	136,975.00	771,975.00
06/01/2034	670,000.00	105,237.50	775,237.50
06/01/2035	700,000.00	71,737.50	771,737.50
06/01/2036	735,000.00	36,737.50	771,737.50
Total	**$12,000,000.00**	**$10,785,486.12**	**$22,785,486.12**

Yield Statistics

Bond Year Dollars	$224,671.67
Average Life	18.723 Years
Average Coupon	4.8005546%
Net Interest Cost (NIC)	4.7161473%
True Interest Cost (TIC)	4.6304048%
Bond Yield for Arbitrage Purposes	4.5756003%
All Inclusive Cost (AIC)	4.8450548%

IRS Form 8038

Net Interest Cost	4.5325477%
Weighted Average Maturity	18.786 Years

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Debt Service Schedule

Part 1 of 2

Date	Principal	Interest	Total P+I
12/01/2006	-	-	-
06/01/2007	-	378,861.02	378,861.02
12/01/2007	-	278,346.88	278,346.88
06/01/2008	215,000.00	278,346.88	493,346.88
12/01/2008	-	274,315.63	274,315.63
06/01/2009	225,000.00	274,315.63	499,315.63
12/01/2009	-	270,096.88	270,096.88
06/01/2010	235,000.00	270,096.88	505,096.88
12/01/2010	-	265,690.63	265,690.63
06/01/2011	240,000.00	265,690.63	505,690.63
12/01/2011	-	261,190.63	261,190.63
06/01/2012	250,000.00	261,190.63	511,190.63
12/01/2012	-	256,503.13	256,503.13
06/01/2013	260,000.00	256,503.13	516,503.13
12/01/2013	-	251,303.13	251,303.13
06/01/2014	270,000.00	251,303.13	521,303.13
12/01/2014	-	245,903.13	245,903.13
06/01/2015	280,000.00	245,903.13	525,903.13
12/01/2015	-	240,128.13	240,128.13
06/01/2016	290,000.00	240,128.13	530,128.13
12/01/2016	-	234,146.88	234,146.88
06/01/2017	305,000.00	234,146.88	539,146.88
12/01/2017	-	227,856.25	227,856.25
06/01/2018	315,000.00	227,856.25	542,856.25
12/01/2018	-	219,981.25	219,981.25
06/01/2019	335,000.00	219,981.25	554,981.25
12/01/2019	-	211,606.25	211,606.25
06/01/2020	350,000.00	211,606.25	561,606.25
12/01/2020	-	202,856.25	202,856.25
06/01/2021	365,000.00	202,856.25	567,856.25
12/01/2021	-	193,731.25	193,731.25
06/01/2022	385,000.00	193,731.25	578,731.25
12/01/2022	-	185,550.00	185,550.00
06/01/2023	400,000.00	185,550.00	585,550.00
12/01/2023	-	177,050.00	177,050.00
06/01/2024	420,000.00	177,050.00	597,050.00
12/01/2024	-	168,125.00	168,125.00
06/01/2025	435,000.00	168,125.00	603,125.00
12/01/2025	-	158,881.25	158,881.25
06/01/2026	455,000.00	158,881.25	613,881.25
12/01/2026	-	149,212.50	149,212.50
06/01/2027	475,000.00	149,212.50	624,212.50
12/01/2027	-	137,343.75	137,343.75
06/01/2028	500,000.00	137,343.75	637,343.75

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Debt Service Schedule

Part 2 of 2

Date	Principal	Interest	Total P+I
12/01/2028	-	124,843.75	124,843.75
06/01/2029	525,000.00	124,843.75	649,843.75
12/01/2029	-	111,725.00	111,725.00
06/01/2030	550,000.00	111,725.00	661,725.00
12/01/2030	-	97,975.00	97,975.00
06/01/2031	575,000.00	97,975.00	672,975.00
12/01/2031	-	83,606.25	83,606.25
06/01/2032	605,000.00	83,606.25	688,606.25
12/01/2032	-	68,487.50	68,487.50
06/01/2033	635,000.00	68,487.50	703,487.50
12/01/2033	-	52,618.75	52,618.75
06/01/2034	670,000.00	52,618.75	722,618.75
12/01/2034	-	35,868.75	35,868.75
06/01/2035	700,000.00	35,868.75	735,868.75
12/01/2035	-	18,368.75	18,368.75
06/01/2036	735,000.00	18,368.75	753,368.75
Total	**$12,000,000.00**	**$10,785,486.12**	**$22,785,486.12**

Yield Statistics

Bond Year Dollars	$224,671.67
Average Life	18.723 Years
Average Coupon	4.8005546%
Net Interest Cost (NIC)	4.7161473%
True Interest Cost (TIC)	4.6304048%
Bond Yield for Arbitrage Purposes	4.5756003%
All Inclusive Cost (AIC)	4.8450548%

IRS Form 8038

Net Interest Cost	4.5325477%
Weighted Average Maturity	18.786 Years

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Debt Service Schedule - 2021 Term Bond

Date	Principal	Coupon	Interest	Total P+I
06/01/2007	-	-	46,447.92	46,447.92
06/01/2008	-	-	68,250.00	68,250.00
06/01/2009	-	-	68,250.00	68,250.00
06/01/2010	-	-	68,250.00	68,250.00
06/01/2011	-	-	68,250.00	68,250.00
06/01/2012	-	-	68,250.00	68,250.00
06/01/2013	-	-	68,250.00	68,250.00
06/01/2014	-	-	68,250.00	68,250.00
06/01/2015	-	-	68,250.00	68,250.00
06/01/2016	-	-	68,250.00	68,250.00
06/01/2017	-	-	68,250.00	68,250.00
06/01/2018	315,000.00	5.000%	68,250.00	383,250.00
06/01/2019	335,000.00	5.000%	52,500.00	387,500.00
06/01/2020	350,000.00	5.000%	35,750.00	385,750.00
06/01/2021	365,000.00	5.000%	18,250.00	383,250.00
Total	**$1,365,000.00**	**-**	**$903,697.92**	**$2,268,697.92**

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Debt Service Schedule - 2026 Term Bond

Date	Principal	Coupon	Interest	Total P+I
06/01/2007	-	-	60,594.97	60,594.97
06/01/2008	-	-	89,037.50	89,037.50
06/01/2009	-	-	89,037.50	89,037.50
06/01/2010	-	-	89,037.50	89,037.50
06/01/2011	-	-	89,037.50	89,037.50
06/01/2012	-	-	89,037.50	89,037.50
06/01/2013	-	-	89,037.50	89,037.50
06/01/2014	-	-	89,037.50	89,037.50
06/01/2015	-	-	89,037.50	89,037.50
06/01/2016	-	-	89,037.50	89,037.50
06/01/2017	-	-	89,037.50	89,037.50
06/01/2018	-	-	89,037.50	89,037.50
06/01/2019	-	-	89,037.50	89,037.50
06/01/2020	-	-	89,037.50	89,037.50
06/01/2021	-	-	89,037.50	89,037.50
06/01/2022	385,000.00	4.250%	89,037.50	474,037.50
06/01/2023	400,000.00	4.250%	72,675.00	472,675.00
06/01/2024	420,000.00	4.250%	55,675.00	475,675.00
06/01/2025	435,000.00	4.250%	37,825.00	472,825.00
06/01/2026	455,000.00	4.250%	19,337.50	474,337.50
Total	**$2,095,000.00**	-	**$1,581,669.97**	**$3,676,669.97**

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Debt Service Schedule - 2036 5.25% Coupon Term Bond

Date	Principal	Coupon	Interest	Total P+I
06/01/2007	-	-	106,115.63	106,115.63
06/01/2008	-	-	155,925.00	155,925.00
06/01/2009	-	-	155,925.00	155,925.00
06/01/2010	-	-	155,925.00	155,925.00
06/01/2011	-	-	155,925.00	155,925.00
06/01/2012	-	-	155,925.00	155,925.00
06/01/2013	-	-	155,925.00	155,925.00
06/01/2014	-	-	155,925.00	155,925.00
06/01/2015	-	-	155,925.00	155,925.00
06/01/2016	-	-	155,925.00	155,925.00
06/01/2017	-	-	155,925.00	155,925.00
06/01/2018	-	-	155,925.00	155,925.00
06/01/2019	-	-	155,925.00	155,925.00
06/01/2020	-	-	155,925.00	155,925.00
06/01/2021	-	-	155,925.00	155,925.00
06/01/2022	-	-	155,925.00	155,925.00
06/01/2023	-	-	155,925.00	155,925.00
06/01/2024	-	-	155,925.00	155,925.00
06/01/2025	-	-	155,925.00	155,925.00
06/01/2026	-	-	155,925.00	155,925.00
06/01/2027	235,000.00	5.250%	155,925.00	390,925.00
06/01/2028	250,000.00	5.250%	143,587.50	393,587.50
06/01/2029	260,000.00	5.250%	130,462.50	390,462.50
06/01/2030	275,000.00	5.250%	116,812.50	391,812.50
06/01/2031	285,000.00	5.250%	102,375.00	387,375.00
06/01/2032	300,000.00	5.250%	87,412.50	387,412.50
06/01/2033	315,000.00	5.250%	71,662.50	386,662.50
06/01/2034	335,000.00	5.250%	55,125.00	390,125.00
06/01/2035	350,000.00	5.250%	37,537.50	387,537.50
06/01/2036	365,000.00	5.250%	19,162.50	384,162.50
Total	**$2,970,000.00**	-	**$3,988,753.13**	**$6,958,753.13**

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Debt Service Schedule - 2036 4.75% Coupon Term Bond

Date	Principal	Coupon	Interest	Total P+I
06/01/2007	-	-	96,979.17	96,979.17
06/01/2008	-	-	142,500.00	142,500.00
06/01/2009	-	-	142,500.00	142,500.00
06/01/2010	-	-	142,500.00	142,500.00
06/01/2011	-	-	142,500.00	142,500.00
06/01/2012	-	-	142,500.00	142,500.00
06/01/2013	-	-	142,500.00	142,500.00
06/01/2014	-	-	142,500.00	142,500.00
06/01/2015	-	-	142,500.00	142,500.00
06/01/2016	-	-	142,500.00	142,500.00
06/01/2017	-	-	142,500.00	142,500.00
06/01/2018	-	-	142,500.00	142,500.00
06/01/2019	-	-	142,500.00	142,500.00
06/01/2020	-	-	142,500.00	142,500.00
06/01/2021	-	-	142,500.00	142,500.00
06/01/2022	-	-	142,500.00	142,500.00
06/01/2023	-	-	142,500.00	142,500.00
06/01/2024	-	-	142,500.00	142,500.00
06/01/2025	-	-	142,500.00	142,500.00
06/01/2026	-	-	142,500.00	142,500.00
06/01/2027	240,000.00	4.750%	142,500.00	382,500.00
06/01/2028	250,000.00	4.750%	131,100.00	381,100.00
06/01/2029	265,000.00	4.750%	119,225.00	384,225.00
06/01/2030	275,000.00	4.750%	106,637.50	381,637.50
06/01/2031	290,000.00	4.750%	93,575.00	383,575.00
06/01/2032	305,000.00	4.750%	79,800.00	384,800.00
06/01/2033	320,000.00	4.750%	65,312.50	385,312.50
06/01/2034	335,000.00	4.750%	50,112.50	385,112.50
06/01/2035	350,000.00	4.750%	34,200.00	384,200.00
06/01/2036	370,000.00	4.750%	17,575.00	387,575.00
Total	**$3,000,000.00**	-	**$3,644,516.67**	**$6,644,516.67**

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Proof Of Bond Yield @ 4.5756003%

Part 1 of 2

Date	Cashflow	PV Factor	Present Value	Cumulative PV
09/26/2006	-	1.0000000x	-	-
06/01/2007	378,861.02	0.9696805x	367,374.14	367,374.14
12/01/2007	278,346.88	0.9479923x	263,870.71	631,244.85
06/01/2008	493,346.88	0.9267892x	457,228.58	1,088,473.44
12/01/2008	274,315.63	0.9060604x	248,546.53	1,337,019.97
06/01/2009	499,315.63	0.8857952x	442,291.38	1,779,311.34
12/01/2009	270,096.88	0.8659832x	233,899.36	2,013,210.70
06/01/2010	505,096.88	0.8466144x	427,622.27	2,440,832.98
12/01/2010	265,690.63	0.8276787x	219,906.48	2,660,739.46
06/01/2011	505,690.63	0.8091666x	409,187.97	3,069,927.44
12/01/2011	261,190.63	0.7910685x	206,619.69	3,276,547.13
06/01/2012	511,190.63	0.7733753x	395,342.19	3,671,889.32
12/01/2012	256,503.13	0.7560777x	193,936.30	3,865,825.62
06/01/2013	516,503.13	0.7391671x	381,782.10	4,247,607.71
12/01/2013	251,303.13	0.7226346x	181,600.34	4,429,208.06
06/01/2014	521,303.13	0.7064720x	368,286.04	4,797,494.10
12/01/2014	245,903.13	0.6906708x	169,838.11	4,967,332.20
06/01/2015	525,903.13	0.6752230x	355,101.91	5,322,434.11
12/01/2015	240,128.13	0.6601208x	158,513.57	5,480,947.68
06/01/2016	4,865,128.13	0.6453563x	3,139,741.20	8,620,688.88
12/01/2016	122,059.38	0.6309221x	77,009.96	8,697,698.84
06/01/2017	427,059.38	0.6168107x	263,414.79	8,961,113.63
12/01/2017	115,768.75	0.6030149x	69,810.28	9,030,923.91
06/01/2018	115,768.75	0.5895277x	68,248.88	9,099,172.80
12/01/2018	115,768.75	0.5763421x	66,722.41	9,165,895.21
06/01/2019	115,768.75	0.5634515x	65,230.08	9,231,125.28
12/01/2019	115,768.75	0.5508492x	63,771.12	9,294,896.40
06/01/2020	115,768.75	0.5385287x	62,344.80	9,357,241.20
12/01/2020	115,768.75	0.5264838x	60,950.37	9,418,191.57
06/01/2021	115,768.75	0.5147083x	59,587.14	9,477,778.71
12/01/2021	115,768.75	0.5031962x	58,254.39	9,536,033.10
06/01/2022	500,768.75	0.4919416x	246,348.96	9,782,382.06
12/01/2022	107,587.50	0.4809386x	51,742.99	9,834,125.04
06/01/2023	507,587.50	0.4701818x	238,658.41	10,072,783.46
12/01/2023	99,087.50	0.4596656x	45,547.11	10,118,330.57
06/01/2024	519,087.50	0.4493846x	233,269.91	10,351,600.48
12/01/2024	90,162.50	0.4393335x	39,611.41	10,391,211.89
06/01/2025	525,162.50	0.4295072x	225,561.09	10,616,772.97
12/01/2025	80,918.75	0.4199007x	33,977.84	10,650,750.82
06/01/2026	535,918.75	0.4105091x	219,999.53	10,870,750.35
12/01/2026	71,250.00	0.4013275x	28,594.59	10,899,344.93
06/01/2027	311,250.00	0.3923513x	122,119.35	11,021,464.28
12/01/2027	65,550.00	0.3835759x	25,143.40	11,046,607.68

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Proof Of Bond Yield @ 4.5756003%

Part 2 of 2

Date	Cashflow	PV Factor	Present Value	Cumulative PV
06/01/2028	315,550.00	0.3749967x	118,330.21	11,164,937.89
12/01/2028	59,612.50	0.3666094x	21,854.50	11,186,792.39
06/01/2029	324,612.50	0.3584097x	116,344.27	11,303,136.66
12/01/2029	53,318.75	0.3503934x	18,682.54	11,321,819.20
06/01/2030	328,318.75	0.3425564x	112,467.69	11,434,286.89
12/01/2030	46,787.50	0.3348947x	15,668.88	11,449,955.78
06/01/2031	336,787.50	0.3274043x	110,265.68	11,560,221.46
12/01/2031	39,900.00	0.3200815x	12,771.25	11,572,992.71
06/01/2032	344,900.00	0.3129225x	107,926.96	11,680,919.67
12/01/2032	32,656.25	0.3059235x	9,990.32	11,690,909.98
06/01/2033	352,656.25	0.2990812x	105,472.84	11,796,382.82
12/01/2033	25,056.25	0.2923918x	7,326.24	11,803,709.07
06/01/2034	360,056.25	0.2858521x	102,922.83	11,906,631.90
12/01/2034	17,100.00	0.2794586x	4,778.74	11,911,410.64
06/01/2035	367,100.00	0.2732082x	100,294.72	12,011,705.37
12/01/2035	8,787.50	0.2670975x	2,347.12	12,014,052.49
06/01/2036	378,787.50	0.2611235x	98,910.33	12,112,962.82
Total	**$20,063,173.62**	-	**$12,112,962.82**	-

Derivation Of Target Amount

Par Amount of Bonds	$12,000,000.00
Reoffering Premium or (Discount)	306,639.45
Bond Insurance Premium..... (85.0 bp)	(193,676.63)
Original Issue Proceeds	$12,112,962.82

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Derivation Of Form 8038 Yield Statistics

Part 1 of 2

Maturity	Issuance Value	Price	Issuance PRICE	Exponent	Bond Years
09/26/2006	-	-	-	-	-
06/01/2008	215,000.00	100.287%	215,617.05	1.6805556x	362,356.43
06/01/2009	225,000.00	100.427%	225,960.75	2.6805556x	605,700.34
06/01/2010	235,000.00	100.474%	236,113.90	3.6805556x	869,030.33
06/01/2011	240,000.00	100.465%	241,116.00	4.6805556x	1,128,556.83
06/01/2012	250,000.00	100.351%	250,877.50	5.6805556x	1,425,123.58
06/01/2013	260,000.00	101.579%	264,105.40	6.6805556x	1,764,370.80
06/01/2014	270,000.00	101.450%	273,915.00	7.6805556x	2,103,819.38
06/01/2015	280,000.00	102.156%	286,036.80	8.6805556x	2,482,958.33
06/01/2016	290,000.00	101.876%	295,440.40	9.6805556x	2,860,027.21
06/01/2017	305,000.00	101.391%	309,242.55	10.6805556x	3,302,882.24
06/01/2018	315,000.00	106.549%	335,629.35	11.6805556x	3,920,337.27
06/01/2019	335,000.00	106.549%	356,939.15	12.6805556x	4,526,186.72
06/01/2020	350,000.00	106.549%	372,921.50	13.6805556x	5,101,773.30
06/01/2021	365,000.00	106.549%	388,903.85	14.6805556x	5,709,324.58
06/01/2022	385,000.00	98.291%	378,420.35	15.6805556x	5,933,841.32
06/01/2023	400,000.00	98.291%	393,164.00	16.6805556x	6,558,193.94
06/01/2024	420,000.00	98.291%	412,822.20	17.6805556x	7,298,925.84
06/01/2025	435,000.00	98.291%	427,565.85	18.6805556x	7,987,167.61
06/01/2026	455,000.00	98.291%	447,224.05	19.6805556x	8,801,617.76
06/01/2027	235,000.00	106.554%	250,401.90	20.6805556x	5,178,450.40
06/01/2027	240,000.00	100.999%	242,397.60	20.6805556x	5,012,917.03
06/01/2028	250,000.00	106.554%	266,385.00	21.6805556x	5,775,374.79
06/01/2028	250,000.00	100.999%	252,497.50	21.6805556x	5,474,286.08
06/01/2029	260,000.00	106.554%	277,040.40	22.6805556x	6,283,430.18
06/01/2029	265,000.00	100.999%	267,647.35	22.6805556x	6,070,390.59
06/01/2030	275,000.00	106.554%	293,023.50	23.6805556x	6,938,959.27
06/01/2030	275,000.00	100.999%	277,747.25	23.6805556x	6,577,209.18
06/01/2031	285,000.00	106.554%	303,678.90	24.6805556x	7,494,963.96
06/01/2031	290,000.00	100.999%	292,897.10	24.6805556x	7,228,863.15
06/01/2032	300,000.00	106.554%	319,662.00	25.6805556x	8,209,097.75
06/01/2032	305,000.00	100.999%	308,046.95	25.6805556x	7,910,816.81
06/01/2033	315,000.00	106.554%	335,645.10	26.6805556x	8,955,197.74
06/01/2033	320,000.00	100.999%	323,196.80	26.6805556x	8,623,070.18
06/01/2034	335,000.00	106.554%	356,955.90	27.6805556x	9,880,737.62
06/01/2034	335,000.00	100.999%	338,346.65	27.6805556x	9,365,623.24
06/01/2035	350,000.00	106.554%	372,939.00	28.6805556x	10,696,097.71
06/01/2035	350,000.00	100.999%	353,496.50	28.6805556x	10,138,476.01
06/01/2036	365,000.00	106.554%	388,922.10	29.6805556x	11,543,424.00
06/01/2036	370,000.00	100.999%	373,696.30	29.6805556x	11,091,513.79
Total	**$12,000,000.00**	-	**$12,306,639.45**	-	**$231,191,093.30**

FINAL

$12,000,000

City of Wheeling, West Virginia
Combined Waterworks and Sewerage System Revenue Bonds
Series 2006 A

Derivation Of Form 8038 Yield Statistics

Part 2 of 2

IRS Form 8038

Weighted Average Maturity = Bond Years/Issue Price	18.786 Years
Total Interest from Debt Service	10,785,486.12
Reoffering (Premium) or Discount	(306,639.45)
Total Interest	10,478,846.67
NIC = Interest / (Issue Price * Average Maturity)	4.5325477%
Bond Yield for Arbitrage Purposes	4.5756003%

THE CITY OF WHEELING
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA SRF PROGRAM)

BOND ORDINANCE

Ordinance No ____

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THE CITY OF WHEELING

BOND ORDINANCE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWER PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF WHEELING OF NOT MORE THAN $10,000,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF WHEELING:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

Section 1.02. Findings. It is hereby found, determined and declared that:

A. The City of Wheeling (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Ohio County of said State.

B. The Issuer presently owns and operates a public combined waterworks and sewerage system. However, it is deemed necessary and desirable for the health and welfare of the

inhabitants of the Issuer that there be acquired and constructed certain extensions, additions, betterments and improvements to the sewerage portion of the existing public combined waterworks and sewerage system of the Issuer, consisting of improvements to the existing wastewater collection and treatment system, together with all appurtenant facilities (collectively, the "Project") (the existing public combined waterworks and sewerage system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System") in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. The Issuer intends to permanently finance a portion of the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), which administers the West Virginia Water Pollution Control Revolving Fund Program (the "SRF Program"), all pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Combined Waterworks and Sewerage System Revenue Bonds, in the total aggregate principal amount of not more than $10,000,000 in one or more series, initially planned to be the Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program) (the "Series 2010 B Bonds"), to permanently finance the costs of acquisition and construction of the Project. Such costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor and eligible under the Act; interest upon the Series 2010 B Bonds prior to and during acquisition or construction and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Reserve Accounts (as hereinafter defined) for the Series 2010 B Bonds; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; fees and expenses of the Authority, including the SRF Administrative Fee (as hereafter defined); discount; initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2010 B Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; the design, acquisition or construction of the Project and the placing of same in operation; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2010 B Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of the Project is not less than 22 years.

F. It is in the best interests of the Issuer that its Series 2010 B Bonds be sold to the Authority pursuant to the terms and provisions of a Loan Agreement by and among the Issuer, the Authority and the West Virginia Department of Environmental Protection (the "DEP"), all in form satisfactory to the respective parties, to be approved hereby if not previously approved by resolution of the Issuer.

G. The Issuer will have the following outstanding obligations which will rank on a parity with the Series 2010 B Bonds as to liens, pledge, source of and security for payment, being the (i) Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000 (the "Series 2005 A Bonds"); (ii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000 (the "Series 2006 A Bonds"); and (iii) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2010 A, dated May 6, 2010, issued in the original aggregate principal amount of $4,455,000 (the "Series 2010 A Bonds") (collectively, the "Prior Bonds").

The Series 2010 B Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all respects. Prior to the issuance of the Series 2010 B Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met, and (ii) the written consent of certain of the Holders of the Series 2005 A Bonds to the issuance of the Series 2010 B Bonds on a parity with the Prior Bonds. The Series 2006 A Bonds and Series 2010 A Bonds do not require consent. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with the covenants of the Prior Bonds and the Prior Ordinances.

H. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System, the principal of and interest on the Issuer's Prior Bonds, and the Series 2010 B Bonds and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement (hereinafter defined) relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2010 B Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the approval of the Project and the financing thereof by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a Certificate of Public Convenience and Necessity from the Public Service Commission of West Virginia.

J. The Project has been reviewed and determined to be technically and financially feasible by the West Virginia Infrastructure and Jobs Development Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2010 B Bonds by 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 Bondholders of any and all of such Series 2010 B Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" means, collectively, Chapter 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2010 B Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the DEP under the Act.

"Authorized Officer" means the Mayor of the Issuer, or any other officer of the Issuer specifically designated by resolution of the Governing Body.

"Bondholder," "Holder of the Bonds," "Holder," "Registered Owner" or any similar term whenever used herein with respect to an outstanding Bond or Bonds, means the person in whose name such Bond is registered.

"Bond Legislation," "Ordinance," "Bond Ordinance" or "Local Act" means this Bond Ordinance and all ordinances, orders and resolutions supplemental hereto or amendatory hereof.

"Bond Registrar" means the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

"Bonds" means, collectively, the Series 2010 B Bonds and the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

"Bond Year" means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"City Clerk", "Clerk" means the City Clerk of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2010 B Bonds for all or a portion of the proceeds of the Series 2010 B Bonds from the Authority and the DEP.

"Code" means the Internal Revenue Code of 1986, as amended, and the Regulations.

"Commission" means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia that succeeds to the functions of the Commission.

"Completion Date" means the completion date of the Project, as defined in the SRF Regulations.

"Consulting Engineers" means CT Consultants, Willoughby, Ohio, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System, or portion thereof, in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

"Costs" or "Costs of the Project" means those costs described in Section 1.02D hereof to be a part of the costs of design, acquisition and construction of the Project as described in Section 1.02B hereof.

"DEP" means the West Virginia Department of Environmental Protection, or any other agency, board or department of the state that succeeds to the functions of the DEP.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns, which shall be a member of FDIC.

"FDIC" means the Federal Deposit Insurance Corporation and any successor to the functions of the FDIC.

"Fiscal Year" means each 12-month period beginning on July 1 and ending on the succeeding June 30.

"Governing Body" means the Council of the Issuer, as it may now or hereafter be constituted.

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which is guaranteed by, the United States of America.

"Gross Revenues" means all rates, rents, fees, charges or other income received by the Issuer, or accrued to the Issuer, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System and all parts thereof, all as calculated in accordance with sound accounting practices.

"Herein," "hereto" and similar words shall refer to this entire Bond Legislation.

"Independent Certified Public Accountants" means any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the System or for any other purpose except keeping the accounts of the System in the normal operation of its business and affairs.

"Investment Property" means:

(A) any security (within the meaning of Section 165(g)(2)(A) or (B) of the Code),

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

(E) in the case of a bond other than a private activity bond, any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan.

Except as provided in the following sentence, the term "Investment Property" does not include any tax-exempt bond. With respect to an issue other than an issue a part of which is a specified private activity bond (as defined in section 57(a)(5)(C) of the Code), the term "Investment Property" includes a specified private activity bond (as so defined).

"Issuer" means The City of Wheeling, a municipal corporation and political subdivision of the State of West Virginia, in Ohio County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered into, by and among the Issuer, the Authority and the DEP, providing for the purchase of the Series 2010 B Bonds from the Issuer by the Authority, the form of which shall be approved and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

"Maximum Annual Debt Service" means at the time of computation, the greatest amount of debt service required to be paid on the Bonds for the then current or any succeeding Fiscal Year, assuming that the principal of any Term Bonds is deemed due on the earlier of their stated maturity date or the date on which they are required to be redeemed pursuant to mandatory sinking fund redemption.

"Net Proceeds" means the face amount of the Series 2010 B Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2010 B Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2010 B Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

"Net Revenues" means the balance of the Gross Revenues, remaining after deduction of Operating Expenses, as hereinafter defined.

"Nonpurpose Investment" means any Investment Property as defined in Section 148(b) of the Code, that is not a purpose investment.

"Operating Expenses" means the current expenses, paid or accrued, of operation and maintenance of the System and its facilities, and includes, without limiting the generality of the foregoing,

the SRF Administrative Fee (as hereinafter defined), insurance premiums, salaries, wages and administrative expenses of the Issuer relating and chargeable solely to the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be incurred, and such other reasonable operating costs as are normally and regularly included under recognized accounting practices.

"Operation and Maintenance Fund" means the Operation and Maintenance Fund established by the Prior Ordinances and continued hereby.

"Outstanding" when used with reference to Bonds or Prior Bonds and as of any particular date, describes all Bonds or Prior Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond or Prior Bond cancelled by the Bond Registrar or Registrar for Prior Bonds, at or prior to said date; (ii) any Bond or Prior Bonds, for the payment of which monies, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder, and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; (iv) any Prior Bond deemed to have been paid; and (v) for purposes of consents or other action by a specified percentage of Bondholders, or holders of Prior Bonds, any Bonds or Prior Bonds registered to the Issuer.

"Parity Bonds" means additional Parity Bonds issued under the provisions and within the limitations prescribed by Section 7.07 hereof.

"Paying Agent" means the Commission or such other entity or authority as may be designated as a Paying Agent by the Issuer in the Supplemental Resolution with the written consent of the Authority and the DEP.

"Prior Bonds" means the Series 2005 A Bonds, the Series 2006 A Bonds and the Series 2010 A Bonds.

"Prior Ordinances" means the ordinances of the Issuer authorizing the issuance of the Prior Bonds.

"Private Business Use" means use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit; provided that, use as a member of the general public shall not be taken into account.

"Project" means the Project as described in Section 1.02B hereof.

"Qualified Investments" means and includes the following:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from

Government Obligations or interest coupons stripped from Government Obligations;

(c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

(d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC or Federal Savings and Loan Insurance Corporation, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

(f) Money market funds or similar funds whose only assets are investments of the type described in paragraphs (a) through (e) above;

(g) Repurchase agreements or similar banking arrangements, fully secured by investments of the types described in paragraphs (a) through (e) above or fully insured by the FDIC, with member banks of the Federal Reserve system or 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;

(h) The West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the West Virginia Code of 1931, as amended, including, without limitation, authorized pools of investments operated by such State Board of Investments; and

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Rebate Fund" means the Rebate Fund established by the Prior Ordinances and continued hereby.

"Registered Owner," "Bondholder," "Holder" or any similar term means whenever used herein with respect to an outstanding Bond or Bonds, the person in whose name such Bond is registered.

"Registrar" means the Bond Registrar.

"Regulations" means temporary and permanent regulations promulgated under the Code, or any predecessor thereto.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established by Prior Ordinances and continued hereby.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Prior Bonds and the Series 2010 B Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in any Reserve Account.

"Revenue Fund" means the Revenue Fund established by the Prior Ordinances and continued hereby.

"Series 2005 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000.

"Series 2006 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2006 A, dated September 26, 2006, issued in the original aggregate principal amount of $12,000,000.

"Series 2010 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2010 A, dated May 6, 2010, issued in the original aggregate principal amount of $4,455,000.

"Series 2010 B Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), of the Issuer, authorized by this Ordinance.

"Series 2010 B Bonds Construction Trust Fund" means the Series 2010 B Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2010 B Bonds Reserve Account" means the Series 2010 B Bonds Reserve Account established by Section 5.02 hereof.

"Series 2010 B Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2010 B Bonds in the then current or any succeeding year.

"Series 2010 B Bonds Sinking Fund" means the Series 2010 B Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective sinking funds established for the Prior Bonds and the Series 2010 B Bonds.

"SRF Administrative Fee" means any administrative fee required to be paid under the Loan Agreement for the Series 2010 B Bonds.

"SRF Program" means the State's Water Pollution Control Revolving Fund Program, under which the Authority purchases the water pollution control revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of a capitalization grant award from the United States Environmental Protection Agency and funds of the State.

"SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2010 B Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2010 B Bonds, and not so included may be included in another Supplemental Resolution.

"Surplus Revenues" means the Gross Revenues not required by the Bond Legislation or the Prior Ordinances to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, including, without limitation, the Sinking Funds, the Reserve Accounts and the Renewal and Replacement Fund.

"System" means collectively, the existing combined waterworks and sewerage system of the Issuer, and shall include any additions, betterments and improvements thereto hereafter acquired or constructed for the System from any sources whatsoever.

"Tap Fees" means the fees, if any, paid by prospective customers of the System in order to connect thereto.

"Term Bonds" means bonds subject to mandatory sinking fund redemption.

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost not to exceed $10,000,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2010 B Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids or will receive and will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the DEP.

The cost of the Project is estimated not to exceed $10,000,000, which will be obtained from proceeds of the Series 2010 B Bonds.

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 paying the Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2010 B Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2010 B Bonds of the Issuer. The Series 2010 B Bonds shall be issued as a single bond, designated as "Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program)", in the principal amount of not more than

$10,000,000, and all shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2010 B Bonds remaining after funding of the Reserve Accounts (if funded from Bond proceeds) and capitalization of interest, if any, shall be deposited in or credited to the Series 2010 B Bonds Construction Trust Funds established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Series 2010 B Bonds shall be issued in such principal amounts; shall bear interest at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2010 B 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 2010 B Bonds shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2010 B Bonds shall initially be issued in the form of a single bond for each series, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of each series, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2010 B Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated and shall bear interest as specified in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2010 B Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk. In case any one or more of the officers who shall have signed or sealed the Series 2010 B Bonds shall cease to be such officer of the Issuer before the Series 2010 B 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 2010 B 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. No Series 2010 B Bonds shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed

Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2010 B Bonds shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2010 B Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2010 B Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2010 B Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2010 B Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging or transferring the registered Series 2010 B Bonds are exercised, all Series 2010 B Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2010 B Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 2010 B 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 any Series 2010 B Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2010 B Bonds or, in the case of any proposed redemption of such Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2010 B Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so

surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2010 B Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Gross Revenues derived from the operation of the System as herein provided. No holder or holders of the Series 2010 B Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2010 B Bonds or the interest thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues; Lien Position with respect to Prior Bonds. The payment of the debt service on the Series 2010 B Bonds shall be secured by a first lien on the Gross Revenues derived from the System, on a parity with each other and with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. The Gross Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Bonds, and to make all other payments hereinafter set forth, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2010 B Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2010 B Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2010 B 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 2010 B Bonds to the original purchasers;

C. An executed and certified copy of the Bond Legislation;

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2010 B Bonds.

Section 3.10. Form of Bonds. The text of the Series 2010 B Bonds shall be in substantially the following forms, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2010 B BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA SRF PROGRAM)

No. BR-1 $_____

KNOW ALL MEN BY THESE PRESENTS: That on the ___ day of _____, 2010, THE CITY OF WHEELING, a municipal corporation and political subdivision of the State of West Virginia in Ohio County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20___, to and including _____ 1, 20___ as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference with interest of 2% payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20___, to and including _____ 1, 20___ as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference. The SRF Administrative Fee of 1% (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing _____ 1, 20___, as set forth on Exhibit B attached hereto.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of The Huntington National Bank, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the next month preceding an interest payment date, or such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement (the "Loan Agreement") by and among the Issuer, the Authority, and the DEP, dated _____, 2010.

This Bond is issued (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the sewer portion of the existing public combined waterworks and sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds and related costs. The existing public combined waterworks and sewerage system of the Issuer, the Project, and any further extensions, 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 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2010, and a Supplemental Resolution duly adopted by the Issuer on _____, 2010 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2010 A, DATED MAY 6, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,455,000 (THE "SERIES 2010 A BONDS") (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the Holders of the Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Series 2010 B Bonds (the "Series 2010 B Bonds Reserve Account"), and unexpended proceeds of the Series 2010 B Bonds. Such Gross Revenues shall be sufficient to pay all operating expenses of the System and 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, except from said special fund provided from the Gross Revenues, the monies in the Series 2010 B Bonds Reserve Account and unexpended proceeds of the Series 2010 B Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Series 2010 B Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2010 B Bonds including the Prior Bonds; provided however, that, so long as there exists in the Series 2010 B Bonds

Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Series 2010 B Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior and subordinate to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar (as defined in the Bond Legislation) by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, THE CITY OF WHEELING has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its City Clerk, has caused this Bond to be dated the day and year first written above.

[SEAL]

_____
Mayor

ATTEST:

_____
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2010 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2010.

THE HUNTINGTON NATIONAL BANK
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $		(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20___.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2010 B Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Loan Agreement in the forms attached hereto as "EXHIBIT A" and made a part hereof, and the City Clerk is directed to affix the seal of the Issuer, attest the same and deliver them to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement, including all schedules and exhibits attached thereto, are hereby approved and incorporated in this Bond Legislation.

Section 3.12. Filing of Amended Schedule. Within 60 days following the Completion Date, the Issuer will file with the Authority and the DEP a schedule for the Series 2010 B Bonds, the form of which will be provided by the DEP, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Ordinance) and shall be held by the Depository Bank, separate and apart from all other funds or accounts of the Depository Bank or the Issuer and from each other:

(1) Revenue Fund (established by Prior Ordinance);

(2) Renewal and Replacement Fund (established by Prior Ordinances as Depreciation Fund and hereby renamed and continued);

(3) Operation and Maintenance Fund (established by Prior Ordinance);

(4) Rebate Fund (established by Prior Ordinance);

(5) Series 2010 B Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with (or continued if previously established by Prior Ordinance) 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:

(1) Series 2005 A Bonds Sinking Fund (established by Prior Ordinances and continued hereby);

(2) Series 2005 A Bonds Reserve Account (established by Prior Ordinances and continued hereby);

(3) Series 2006 A Bonds Sinking Fund (established by Prior Ordinances and continued hereby);

(4) Series 2006 A Bonds Reserve Account (established by Prior Ordinances and continued hereby);

(5) Series 2010 A Bonds Sinking Fund (established by Prior Ordinances and continued hereby);

(6) Series 2010 A Bonds Reserve Account (established by Prior Ordinances and continued hereby);

(7) Series 2010 B Bonds Sinking Fund; and

(8) Series 2010 B Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System and all parts thereof 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 monies in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and remit to the Commission (i) the amount required by Prior Ordinances to pay interest on the Prior Bonds; and (ii) commencing 4 months prior to the first date of payment of interest of the Series 2010 B Bonds, for deposit in the Series 2010 B Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest which will mature and come due on the Series 2010 B Bonds on the next ensuing quarterly interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2010 B Bonds Sinking Fund and the next quarterly interest payment date is less

than 3 months, then such monthly payment shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, the required amount of interest coming due on such date.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) the amount required by the Prior Ordinances for payment of principal of the Prior Bonds; and (ii) commencing 4 months prior to the first date of payment of principal of the Series 2010 B Bonds, for deposit in the Series 2010 B Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and come due on the Series 2010 B Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2010 B Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payment shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, each month, transfer from the Revenue Fund and simultaneously remit to the Depository Bank for deposit into the Operation and Maintenance Fund the amount necessary to pay the current Operating Expenses of the System.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) the amount required by the Prior Ordinances for deposit in the respective Reserve Accounts for the Prior Bonds; and (ii) commencing 4 months prior to the first date of payment of principal of the Series 2010 B Bonds, if not fully funded upon issuance of the Series 2010 B Bonds, for deposit in the Series 2010 B Bonds Reserve Account, an amount equal to 1/120th of the Series 2010 B Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2010 B 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 2010 B Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank (as required in the Prior Ordinances and not in addition thereto), for deposit in the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII

hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such accounts have not, as of the date of determination of a deficiency, funded such accounts to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

Monies in the Series 2010 B Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2010 B Bonds, as the same shall become due. Monies in the Series 2010 B Bonds Reserve Account shall be used only for the purposes of paying principal of and interest on the Series 2010 B Bonds, as the same shall come due, when other monies in the Series 2010 B Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2010 B Bonds Sinking Fund and the Series 2010 B Bonds Reserve Account, shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2010 B Bonds Construction Trust Fund, and following completion thereof, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment due on the Series 2010 B Bonds, if any, and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2010 B Bonds Reserve Account which result in a reduction in the balance of such accounts to below the respective Reserve Requirements thereof, shall be restored from the first Net Revenues available after all required payments have been made in full in the order set forth above, all on a pro rata basis.

As and when additional Bonds ranking on a parity with the Series 2010 B Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirement thereof.

The Issuer shall not be required to make any further payments into the Series 2010 B Bonds Sinking Fund or the Series 2010 B Bonds Reserve Account, when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2010 B Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue, if any, until the maturity thereof.

Principal, interest or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2010 B Bonds in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2010 B Bonds Sinking Fund and the Series 2010 B 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. All remittances made by the Issuer to the Commission shall

clearly identify the fund or account into which each amount is to be deposited. The Issuer 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.

Monies in the Series 2010 B Bonds Sinking Fund and the Series 2010 B Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2010 B Bonds Sinking Fund and the Series 2010 B Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2010 B Bonds under the conditions and restrictions set forth herein.

B. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into such funds during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

C. The Issuer shall 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 payments with respect to the Series 2010 B Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall also on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the SRF Administrative Fee as set forth in the Loan Agreement for the Series 2010 B Bonds.

D. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Loan Agreement and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of such calendar month.

E. 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 respective parties 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, if required by the Authority at anytime, 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.

F. The monies in excess of the maximum amounts insured by FDIC in all funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Government Obligations or by other Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

G. If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds and accounts as herein above provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds and accounts on the subsequent payment dates; provided, however, that the priority of

curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be made pursuant to this Section 5.03, and the Net Revenues shall be applied to such deficiencies on a parity and pro rata with respect to the Series 2010 B Bonds and the Prior Bonds all in accordance with the respective principal amounts outstanding before being applied to any other payments hereunder.

H. All remittances made by the Issuer to the Commission and the Depository Bank shall clearly identify the fund or account into which each amount is to be deposited.

I. The Gross Revenues of the System shall only be used for purposes of the System.

J. 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

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2010 B Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2010 B Bonds, there shall first be deposited with the Commission in the Series 2010 B Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest.

B. Next, from the proceeds of the Series 2010 B Bonds, there shall be deposited with the Commission in the Series 2010 B Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2010 B Bonds Reserve Account.

C. As the Issuer receives advances of the monies derived from the sale of the Series 2010 B Bonds, such monies shall be deposited with the Depository Bank in the Series 2010 B Bonds Construction Trust Fund and applied solely to payment of the costs of the Project in the manner set forth in Section 6.02 hereof and, until so expended, are hereby pledged as additional security for the Series 2010 B Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2010 B Bonds shall be expended as approved by the DEP.

Section 6.02. Disbursements of Bond Proceeds. On or before the Closing Date, the Issuer shall have delivered to the Authority and the DEP a report listing the specific purposes for which the proceeds of the Series 2010 B Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments for Costs of the Project shall be made monthly. Invoices for which repayment from the Series 2010 B Bonds Construction Trust Fund will be sought must be first approved by the Issuer.

Except as provided in Section 6.01 hereof, disbursements from the Series 2010 B Bonds Construction Trust Fund shall be made only after submission to, and approval from, the Authority and the DEP of a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement, in compliance with the construction schedule; and

Pending such application, monies in the Series 2010 B Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2010 B 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 2010 B Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2010 B Bonds or the interest thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2010 B Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 2010 B Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2010 B Bonds or the interest thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues; Lien Position with respect to Prior Bonds. The payment of the debt service on the Series 2010 B Bonds issued hereunder shall be secured equally and ratably by a first lien on the Gross Revenues derived from the System, on a parity with each other and with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. The Gross Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Bonds, and to make all other payments hereinafter set forth, are hereby irrevocably pledged to such payments as they become due.

Section 7.04. Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and the Issuer shall supply an opinion of counsel to such effect. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement and the Issuer shall supply a certificate of Certified Public Accountant to such effect. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the water rate ordinance of the Issuer enacted on February 16, 2010, and the sewer rate ordinance of the Issuer enacted May 19, 2009, as amended by Recommended Decision dated September 3, 2010, in Case No. 09-1000-S-MA of the Public Service Commission of West Virginia which rates are incorporated herein by reference as a part hereof.

So long as the Series 2010 B Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates and charges initially established for the System in connection with the Series 2010 B Bonds shall prove to be insufficient to produce the amounts required by this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates and charges and take all such actions necessary to provide funds sufficient to produce the amounts required by this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, lease, mortgage or in any manner dispose of or encumber the System, or any part thereof, except as provided in the Prior Ordinances and with the written consent of the Authority.

So long as the Series 2010 B Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the DEP, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding, in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall immediately be remitted to the Commission for deposit in the Series 2010 B Bonds Sinking Fund pro rata with respect to the principal amount of each of the Bonds then Outstanding, and, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest on the Series 2010 B Bonds in accordance with Article X hereof. Any balance remaining after the payment of the Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the

operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, determine, upon consultation with a professional engineer, that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into such account by other provisions of this Bond Legislation.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.06 and Section 7.07 hereof, 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 2010 B Bonds. All obligations issued by the Issuer after the issuance of the Series 2010 B 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 2010 B 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 have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2010 B Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2010 B Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority and the DEP prior written notice of its issuance of any other obligations to be used for the System, payable from the revenues of the System or from any grants for the Project, or any other obligations related to the Project or the System.

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. In addition, no additional Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of

the Series 2010 B Bonds pursuant to this Ordinance, without the prior written consent of the Authority and the DEP and without complying with the conditions and requirements herein provided (unless less restrictive than the provisions of the Prior Ordinance).

No such additional Parity Bonds shall be issued except for the purposes of financing the costs of the design, acquisition and construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto, or to pay claims which may exist against the revenues or facilities of the System or all of such purposes.

So long as the Prior Bonds, and the Series 2010 B Bonds are outstanding, no Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by Independent Certified Public Accountants, reciting the conclusion that the Net Revenues actually derived, subject to the adjustment hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, if any, shall be not 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 additional Parity Bonds theretofore issued pursuant to the provisions contained in the Prior Ordinances and this Bond Legislation then Outstanding; and

(3) The additional Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from the improvements to be financed by such Parity Bonds and any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the date of issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the City Clerk prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12 consecutive month period herein above referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, as stated in a certificate, on account of increased rates, rentals, fees and charges for the System enacted by the Issuer, the time for appeal of which has expired (without successful appeal) prior to the issuance of such Parity Bonds.

All covenants and other provisions of this Ordinance (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 theretofore or 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 Ordinance required for and on account of such Parity Bonds, in addition to the payments required for the Bonds theretofore issued pursuant to this Ordinance.

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 liens of the Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to the lien on and source of and security for payment from such revenues, with the Bonds.

No Parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for in this Ordinance and the Prior Ordinances with respect to the Bonds then Outstanding, and any other payments provided for in this Ordinance and the Prior Ordinance, shall have been made in full as required to the date of issuance of such Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Ordinance and the Prior Ordinance.

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of designing, acquiring, constructing and installing the Project. The Issuer shall permit the Authority and the DEP, or their agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the Authority and the DEP such documents and information as they may reasonably require in connection with the design, acquisition, construction and installation of the Project; the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the Authority and the DEP, or their agents and representatives, to inspect all records pertaining to the operation and maintenance of the System at all reasonable times following completion of construction of the Project and commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds issued pursuant to this Bond Legislation shall have the right at all reasonable times to inspect the System and all parts thereof and all records, accounts and data of the Issuer relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia and the Act. Separate control accounting records shall be maintained by the Issuer.

Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Issuer. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Issuer shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer shall file with the Authority and the DEP, or any other original purchaser of the Series 2010 B Bonds and shall mail in each year to any Holder or Holders of the Series 2010 B Bonds, requesting the same, an annual report containing the following:

(A) A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required in compliance with the applicable OMB Circular, or any successor thereof, and the Single Audit Act, or any successor thereof), and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2010 B Bonds and shall submit the report to the Authority and the DEP or any other original purchaser of the Series 2010 B Bonds. Such audit report submitted to the Authority and the DEP shall include a statement that the Issuer is in compliance with the terms and provisions of the Act and the Loan Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

Subject to the terms, conditions and provisions of the Loan Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

The Issuer shall provide the DEP with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in the Loan Agreement for the Series 2010 B Bonds or any Exhibit thereto or as promulgated from time to time.

The Issuer shall permit the Authority or the DEP, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction and commencement of operation of the Project, the Issuer shall also provide the Authority and the DEP, or their agents and representatives, with access to the System site and System

facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the DEP with respect to the System pursuant to the Act.

Section 7.09. Rates. Prior to the issuance of the Series 2010 B Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the City Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder. Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that (a) so long as the Prior Bonds are outstanding, the schedule or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System, to provide a rate coverage equal to the highest rate coverage required by either (a) the Prior Ordinances or (b) this Ordinance, as set forth in (i) and (ii) below, and thereafter, sufficient , together with other revenues of the System, (i) 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 on the Series 2010 B Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Series 2010 B Bonds including the Prior Bonds; provided that, in the event that, the amounts equal to or in excess of the Reserve Requirement are on deposit in the Reserve Accounts and any reserve accounts for obligations on a parity with the Series 2010 B Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such sum need only equal 110% of the maximum amount required in any year for payment of principal of and interest on the Series 2010 B Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Series 2010 B Bonds including the Prior Bonds.

The Issuer hereby covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 30 days following a determination of the Independent Certified Public Accountant that less than the above-required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the DEP within 30 days of adoption thereof. 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 mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and the DEP and to any Holder of any Bonds who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her, within 30 days of adoption thereof and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Authority, the DEP and any Holder of any Bonds or anyone acting for and on behalf of such Holder.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for 2 years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement, and forward a copy of such report to the Authority and the DEP by the 10th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Authority and the DEP, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the DEP is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

The Issuer shall provide and maintain competent and adequate engineering services satisfactory to the Authority and the DEP covering the supervision and inspection of the development and construction of the Project and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, the DEP and the Issuer at the completion of construction that construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

The Issuer shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt. The Issuer shall submit a "Performance Certificate," a form of which is attached to the Loan Agreement for the Series 2010 B Bonds as Exhibit A, to the DEP within 60 days of the end of the first year after the Project is completed.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the SRF Regulations, to the DEP when the Project is 90% completed. The Issuer shall at all times provide operation and maintenance of the System in compliance with all state and federal standards.

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator to operate the System during the entire term of the Loan Agreement. The Issuer shall notify the DEP in writing of the certified operator employed at the 50% completion stage.

The Issuer shall serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer shall not reduce the amount of additional customers served by the project without the prior written approval of the Board of the Water Development Authority. Following completion of the Project the Issuer shall certify to the Authority the number of customers added to the System.

Section 7.12. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System, and any services and facilities of the water system, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services of either system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law. If the water facilities are not owned by the Issuer, the Issuer shall enter into a termination agreement with the water provider of such water, subject to any required approval of such agreement by the Public Service Commission of West Virginia and all rules, regulations and orders of the Public Service Commission of West Virginia.

Section 7.14. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee of either shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2010 B Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. In the event of any damage to or destruction of any portion of the System, the proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

(2) PUBLIC LIABILITY INSURANCE, with limits of not less than $1,000,000 per occurrence to protect the Issuer from claims for bodily injury and/or death and not less than $500,000 per occurrence from claims for damage to property of others which may arise from the operation of the System, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

(3) WORKER'S 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 amount of any construction contract and to be required of each contractor contracting directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(4) FLOOD INSURANCE, if the facilities of the System are or will be located in designated special flood or mudslide-prone areas and to the extent available at reasonable cost to the Issuer.

(5) BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

(6) FIDELITY BONDS will be provided as to every officer, member and employee of the Issuer or the Governing Body having custody of the revenues or of any other funds of the System, in an amount at least equal to the total funds in the custody of any such person at any one time.

B. The Issuer shall require all contractors engaged in the construction of the Project to furnish a performance bond and a payment bond, each in an amount equal to 100% of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract. The Issuer shall verify such bonds prior to commencement of construction.

The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided that the amounts and terms of such coverage are satisfactory to the Authority and the DEP. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the DEP, the Issuer, the prime contractor and all subcontractors, as their interests may appear. The Issuer shall verify such insurance prior to commencement of construction.

Section 7.16. Mandatory Connections. The mandatory use of the sewerage portion of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

Any such house, dwelling or building from which emanates sewage or water-borne waste matter and which is not so connected with the System is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the inhabitants of the Issuer and a public nuisance which shall be

abated to the extent permitted by law and as promptly as possible by proceedings in a court of competent jurisdiction.

Section 7.17. Completion and Operation of Project; Permits and Orders. The Issuer will complete the acquisition and construction of the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards.

The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the System and all approvals of issuance of the Series 2010 B Bonds required by State law, with all requisite appeal periods having expired without successful appeal, except as otherwise provided in Section 1.02(I) and the Issuer shall provide an opinion of counsel to such effect.

Section 7.18. Compliance with the Loan Agreement and the Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the DEP with copies of all documents submitted to the Authority. The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the Authority, the DEP or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

The Issuer shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia.

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 2010 B 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 2010 B Bonds during the term thereof is, under the terms of the Series 2010 B 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) that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2010 B 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 2010 B Bonds during the term thereof is, under the terms of the Series 2010 B 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 2010 B Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if

the Series 2010 B Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of the portion of the Project to which such Private Business Use is related. All of the foregoing shall be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2010 B 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.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2010 B Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will timely file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2010 B Bonds and the interest thereon including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest on the Series 2010 B Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.20. Securities Law Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.21. Contracts; Change Orders; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2010 B Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP for written approval. The Issuer shall obtain the written approval of the DEP before expending any proceeds of the Series 2010 B Bonds held in "contingency" as set forth in the Schedule attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the DEP before expending any proceeds of the Series 2010 B Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding provided by the DEP and the Authority in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

Section 7.22. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2010 B Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2010 B Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

ARTICLE VIII

INVESTMENT OF FUNDS

Section 8.01. Investments. Any monies held as a part of the funds and accounts created by this Bond Legislation, other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond Legislation, the need for such monies for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such monies were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission or Depository Bank, or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2010 B Bonds are Outstanding and as long thereafter as necessary to comply with the Code and to assure the exclusion of interest on the Series 2010 B Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 2010 B Bonds which would cause the Series 2010 B Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take any and 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 2010 B Bonds) so that the interest on the Series 2010 B 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. 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 2010 B Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2010 B Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, unless otherwise agreed by the Authority, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and shall be used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor. In addition, the Issuer shall cooperate with the Authority in preparing rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer. To the extent not so performed by the Authority, the Issuer and the Depository Bank (at the expense of the Issuer) may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer or the Depository Bank may deem appropriate in order to assure compliance with this Section 8.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 8.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required, the Issuer shall pay the required rebate amount, any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, and take any other actions necessary, in order to maintain the exclusion of interest on the Series 2010 B Bonds from gross income for federal income tax purposes.

The Issuer shall furnish to the Authority, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Authority. In addition, the Issuer shall cooperate with the Authority in preparing any required rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer.

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation and certificate with respect thereto or, if the Issuer qualifies for the small governmental issue exception to rebate, or any other exception thereto, then the Issuer shall submit to the Authority a certificate stating that it is exempt from such rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Series 2010 B Bonds subject to rebate. The Issuer shall also furnish to the Authority, at any time, such additional information relating to rebate as may be reasonably requested by the Authority including information with respect to earnings on all funds constituting "gross proceeds" of the Series 2010 B Bonds (as such term "gross proceeds" is defined in the Code).

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 2010 B Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest on any Series 2010 B Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions relating to the Series 2010 B Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2010 B Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

(3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America; or

(4) If default occurs with respect to the Prior Bonds or the Prior Ordinance.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner or Holder of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners or Bondholders including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners or Bondholders 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 2010 B Bonds shall be on a parity with those of the Holders of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

The receiver so appointed shall forthwith, directly or by his or her or its agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate and maintain, manage and control such facilities, and each and every part thereof, and in the name of the Issuer exercise all the rights and powers of the Issuer with respect to said facilities as the Issuer itself might do.

Whenever all that is due upon the Bonds and interest thereon and under any covenants of this Bond Legislation for reserve, sinking or other funds and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the revenues of the System shall have been paid and made good, and all defaults under the provisions of this Bond Legislation shall have been cured and made good, possession of the System shall be surrendered to the Issuer upon the entry of an order of the court to that effect. Upon any subsequent default, any Registered Owner of any Bonds shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers herein above conferred upon him or her or it, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby, and a successor receiver may be appointed in the discretion of such court. Nothing herein contained shall limit or restrict the

jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Series 2010 B Bonds. If the Issuer shall pay, or there shall otherwise be paid, to the Registered Owners of the Series 2010 B Bonds, the principal of and interest 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 monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2010 B Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Series 2010 B Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2010 B Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2010 B Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2010 B Bonds shall be made without the consent in writing of the Registered Owners of the Series 2010 B Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of the Series 2010 B 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 the Series 2010 B Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be

amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the excludability of interest on the Series 2010 B Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution or the Series 2010 B 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; Prior Ordinance. 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 Ordinance, the Prior Ordinances shall control (unless less restrictive), so long as the Prior Bonds are outstanding.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, the City Clerk and members of the Governing Body were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.07. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in *The Intelligencer* a newspaper of general circulation in The City of Wheeling, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2010 B Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Section 11.08. Effective Date. This Ordinance shall take effect immediately following public hearing hereon.

Passed on First Reading: September 21, 2010

Passed on Second Reading: October 5, 2010

Passed on Final Reading
Following Public Hearing: October 19, 2010

Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Governing Body of THE CITY OF WHEELING on the 19th day of October, 2010.

Dated: December 14, 2010.

[SEAL]

Janice L. Jones
City Clerk

03.02.10
964250.00059

THE CITY OF WHEELING

Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B
(West Virginia SRF Program)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM) OF THE CITY OF WHEELING; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the City council (the "Governing Body") of The City of Wheeling (the "Issuer" or "Governmental Agency") has duly and officially adopted and enacted a bond ordinance, effective October 19, 2010 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWER PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF WHEELING OF NOT MORE THAN $10,000,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE

TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Ordinance when used herein;

WHEREAS, the Bond Ordinance provides for the issuance of the Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), of the Issuer, in the aggregate principal amount not to exceed $10,000,000 (the "Bonds" or the Series 2010 B Bonds"), and has authorized the execution and delivery of a loan agreement relating to the Bonds, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Department of Environmental Protection (the "DEP"), all in accordance with Chapter 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, the Loan Agreement has been presented to the Issuer at this meeting;

WHEREAS, the Series 2010 B Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved and ratified by the Issuer, that the exact principal amounts, the dates, the maturity dates, the redemption provisions, the interest rates, the interest and principal payment dates and the sale prices of the Series 2010 B Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Series 2010 B Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WHEELING:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Combined Waterworks and Sewerage System Revenue Bonds, Series 2010 B (West Virginia SRF Program), of the Issuer, originally represented by a single bond, numbered BR-1, in the original aggregate principal amount of $8,356,000. The Series 2010 B Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2032 and shall bear interest at the rate of 2% per annum.. The principal of the Series 2010 B Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2013 to and including March 1, 2032 and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement for the Series 2010 B Bonds and incorporated in and made a part of the Series 2010 B Bonds. The interest of the Series 2010 B Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2013 to and including

March 1, 2032 and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement for the Series 2010 B Bonds and incorporated in and made a part of the Series 2010 B Bonds. The Series 2010 B Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2010 B Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 1% of the principal amount of the Series 2010 B Bonds set forth in "Schedule Y" attached to the Loan Agreement.

Section 2. All other provisions relating to the Series 2010 B Bonds and the text of each series of the Series 2010 B Bonds shall be in substantially the forms provided in the Bond Legislation.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the applications to the DEP and the Authority. The price of the Series 2010 B Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Series 2010 B Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate WesBanco Bank, Inc., Wheeling, West Virginia, to serve as Registrar (the "Registrar") for the Series 2010 B Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Series 2010 B Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2010 B Bonds under the Bond Legislation.

Section 6. The Issuer does hereby appoint and designate WesBanco Bank, Inc., Wheeling, West Virginia, to serve as Depository Bank under the Bond Legislation.

Section 7. Series 2010 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 2010 B Bonds Sinking Fund as capitalized interest.

Section 8. Series 2010 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 2010 B Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2010 B Bonds shall be deposited in or credited to the Series 2010 B Bonds Construction Trust Funds for payment of the costs of the Project, including, without limitation, costs of issuance of the Series 2010 B Bonds and related costs.

Section 10. The Mayor and the City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Series 2010 B Bonds hereby and by the Bond Legislation approved and provided for, to the end that the Series 2010 B Bonds may be delivered on or about December 14, 2010, to the Authority pursuant to the Loan Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Series 2010 B Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

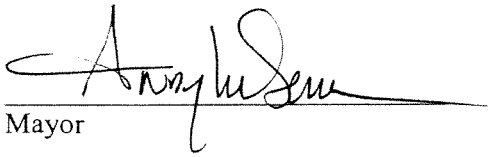
Section 12. The Issuer does hereby ratify, approve and accept all contracts relating to the financing, acquisition and construction of the Project.

Section 13. The Issuer hereby determines to invest all monies in the funds and accounts established by the Bond Legislation held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Monies in the Sinking Funds and the Reserve Accounts for the Series 2010 B Bonds, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 14. This Supplemental Resolution shall be effective immediately following adoption hereof.

[Remainder of Page Intentionally Blank]

Adopted this 7th day of December, 2010.



Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of The City of Wheeling on the 7th day of December, 2010.

Dated: December 14, 2010.

[SEAL]

Janice L. Jones
City Clerk

03.02.10
964250.00059

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF WHEELING
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA SRF PROGRAM)

No. BR-1 $8,356,000

KNOW ALL MEN BY THESE PRESENTS: That on the 14th day of December, 2010, THE CITY OF WHEELING, a municipal corporation and political subdivision of the State of West Virginia in Ohio County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of EIGHT MILLION THREE HUNDRED FIFTY-SIX THOUSAND DOLLARS ($8,356,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2013, to and including March 1, 2032 as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference with interest of 2% payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2013, to and including March 1, 2032 as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference. The SRF Administrative Fee of 1% (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing March 1, 2013, as set forth on Exhibit B attached hereto.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of WesBanco Bank, Inc., Wheeling, West Virginia, as registrar (the "Registrar"), on the 15th day of the next month preceding an interest payment date, or such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement (the "Loan Agreement") by and among the Issuer, the Authority, and the DEP, dated December 14, 2010.

This Bond is issued (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the sewer portion of the existing public combined waterworks and sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of

the Bonds and related costs. The existing public combined waterworks and sewerage system of the Issuer, the Project, and any further extensions, 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 8, Article 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on October 19, 2010, and a Supplemental Resolution duly adopted by the Issuer on December 14, 2010 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S: (I) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), DATED MAY 3, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $14,500,000 (THE "SERIES 2005 A BONDS"); (II) COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2006 A, DATED SEPTEMBER 26, 2006, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $12,000,000 (THE "SERIES 2006 A BONDS"); AND (III) COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 2010 A, DATED MAY 6, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,455,000 (THE "SERIES 2010 A BONDS") (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the Holders of the Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Series 2010 B Bonds (the "Series 2010 B Bonds Reserve Account"), and unexpended proceeds of the Series 2010 B Bonds. Such Gross Revenues shall be sufficient to pay all operating expenses of the System and 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, except from said special fund provided from the Gross Revenues, the monies in the Series 2010 B Bonds Reserve Account and unexpended proceeds of the Series 2010 B Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Series 2010 B Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2010 B Bonds including the Prior Bonds; provided however, that, so long as there exists in the Series 2010 B Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Series 2010 B Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior and subordinate to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor,

such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar (as defined in the Bond Legislation) by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, THE CITY OF WHEELING has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its City Clerk, has caused this Bond to be dated the day and year first written above.

[SEAL]

Mayor

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2010 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: December 14, 2010.

WESBANCO BANK, INC.
as Registrar

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $417,800	December 14, 2010	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

BOND DEBT SERVICE

City of Wheeling

CW SRF

2% Interest Rate, 1% Administrative Fee

Dated Date	12/14/2010
Delivery Date	12/14/2010

Period Ending	Principal	Coupon	Interest	Debt Service
3/1/2013	89,234	2.000%	41,780.00	131,014.00
6/1/2013	89,681	2.000%	41,333.83	131,014.83
9/1/2013	90,129	2.000%	40,885.43	131,014.43
12/1/2013	90,580	2.000%	40,434.78	131,014.78
3/1/2014	91,032	2.000%	39,981.88	131,013.88
6/1/2014	91,488	2.000%	39,526.72	131,014.72
9/1/2014	91,945	2.000%	39,069.28	131,014.28
12/1/2014	92,405	2.000%	38,609.56	131,014.56
3/1/2015	92,867	2.000%	38,147.53	131,014.53
6/1/2015	93,331	2.000%	37,683.20	131,014.20
9/1/2015	93,798	2.000%	37,216.54	131,014.54
12/1/2015	94,267	2.000%	36,747.55	131,014.55
3/1/2016	94,738	2.000%	36,276.22	131,014.22
6/1/2016	95,212	2.000%	35,802.53	131,014.53
9/1/2016	95,688	2.000%	35,326.47	131,014.47
12/1/2016	96,166	2.000%	34,848.03	131,014.03
3/1/2017	96,647	2.000%	34,367.20	131,014.20
6/1/2017	97,130	2.000%	33,883.96	131,013.96
9/1/2017	97,616	2.000%	33,398.31	131,014.31
12/1/2017	98,104	2.000%	32,910.23	131,014.23
3/1/2018	98,595	2.000%	32,419.71	131,014.71
6/1/2018	99,088	2.000%	31,926.74	131,014.74
9/1/2018	99,583	2.000%	31,431.30	131,014.30
12/1/2018	100,081	2.000%	30,933.38	131,014.38
3/1/2019	100,581	2.000%	30,432.98	131,013.98
6/1/2019	101,084	2.000%	29,930.07	131,014.07
9/1/2019	101,590	2.000%	29,424.65	131,014.65
12/1/2019	102,098	2.000%	28,916.70	131,014.70
3/1/2020	102,608	2.000%	28,406.21	131,014.21
6/1/2020	103,121	2.000%	27,893.17	131,014.17
9/1/2020	103,637	2.000%	27,377.57	131,014.57
12/1/2020	104,155	2.000%	26,859.38	131,014.38
3/1/2021	104,676	2.000%	26,338.61	131,014.61
6/1/2021	105,199	2.000%	25,815.23	131,014.23
9/1/2021	105,725	2.000%	25,289.23	131,014.23
12/1/2021	106,254	2.000%	24,760.61	131,014.61
3/1/2022	106,785	2.000%	24,229.34	131,014.34
6/1/2022	107,319	2.000%	23,695.41	131,014.41
9/1/2022	107,856	2.000%	23,158.82	131,014.82

BOND DEBT SERVICE

City of Wheeling

CW SRF

2% Interest Rate, 1% Administrative Fee

Period Ending	Principal	Coupon	Interest	Debt Service
12/1/2022	108,395	2.000%	22,619.54	131,014.54
3/1/2023	108,937	2.000%	22,077.56	131,014.56
6/1/2023	109,482	2.000%	21,532.88	131,014.88
9/1/2023	110,029	2.000%	20,985.47	131,014.47
12/1/2023	110,579	2.000%	20,435.32	131,014.32
3/1/2024	111,132	2.000%	19,882.43	131,014.43
6/1/2024	111,688	2.000%	19,326.77	131,014.77
9/1/2024	112,246	2.000%	18,768.33	131,014.33
12/1/2024	112,807	2.000%	18,207.10	131,014.10
3/1/2025	113,371	2.000%	17,643.06	131,014.06
6/1/2025	113,938	2.000%	17,076.21	131,014.21
9/1/2025	114,508	2.000%	16,506.52	131,014.52
12/1/2025	115,080	2.000%	15,933.98	131,013.98
3/1/2026	115,656	2.000%	15,358.58	131,014.58
6/1/2026	116,234	2.000%	14,780.30	131,014.30
9/1/2026	116,815	2.000%	14,199.13	131,014.13
12/1/2026	117,399	2.000%	13,615.05	131,014.05
3/1/2027	117,986	2.000%	13,028.06	131,014.06
6/1/2027	118,576	2.000%	12,438.13	131,014.13
9/1/2027	119,169	2.000%	11,845.25	131,014.25
12/1/2027	119,765	2.000%	11,249.40	131,014.40
3/1/2028	120,364	2.000%	10,650.58	131,014.58
6/1/2028	120,966	2.000%	10,048.76	131,014.76
9/1/2028	121,570	2.000%	9,443.93	131,013.93
12/1/2028	122,178	2.000%	8,836.08	131,014.08
3/1/2029	122,789	2.000%	8,225.19	131,014.19
6/1/2029	123,403	2.000%	7,611.24	131,014.24
9/1/2029	124,020	2.000%	6,994.23	131,014.23
12/1/2029	124,640	2.000%	6,374.13	131,014.13
3/1/2030	125,263	2.000%	5,750.93	131,013.93
6/1/2030	125,890	2.000%	5,124.61	131,014.61
9/1/2030	126,519	2.000%	4,495.16	131,014.16
12/1/2030	127,152	2.000%	3,862.57	131,014.57
3/1/2031	127,788	2.000%	3,226.81	131,014.81
6/1/2031	128,427	2.000%	2,587.87	131,014.87
9/1/2031	129,069	2.000%	1,945.73	131,014.73
12/1/2031	129,714	2.000%	1,300.39	131,014.39
3/1/2032	130,363	2.000%	651.82	131,014.82 *
	8,356,000		**1,732,107.46**	**10,088,107.46**

*Plus a quarterly administrative fee of $11,247.45 for a total Administrative Expense of $866,053.65

(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:

_____