

LOWER GWYNEDD TOWNSHIP
MONTGOMERY COUNTY, PENNSYLVANIA

ORDINANCE NO. 2024 -- 550

AN ORDINANCE OF THE LOWER GWYNEDD TOWNSHIP BOARD OF SUPERVISORS, MONTGOMERY COUNTY, PENNSYLVANIA (THE "TOWNSHIP") PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT, 53 Pa. C.S. Chs. 80-82 (THE "DEBT ACT"); SETTING FORTH ITS INTENTION TO AUTHORIZE AND DIRECT THE INCURRENCE OF NON-ELECTORAL DEBT THROUGH THE ISSUANCE OF GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES TO BE ISSUED EITHER TOGETHER OR SEPARATELY, ON A TAX-EXEMPT BASIS (COLLECTIVELY, THE "BONDS") IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF UP TO \$6,500,000 FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE (1) THE ACQUISITION, DEVELOPMENT AND DESIGN OF A PORTION OF THE REAL PROPERTY LOCATED AT 1201 SUMNEYTOWN PIKE, SPRING HOUSE, LOWER GWYNEDD TOWNSHIP, PENNSYLVANIA FOR USE AS THE TOWNSHIP'S NEW PUBLIC WORKS FACILITY; AND (2) PAY THE COSTS AND EXPENSES OF ISSUING THE BONDS (COLLECTIVELY, THE "PROJECT"); MAKING CERTAIN FINDINGS AND DETERMINATIONS IN CONNECTION WITH THE PROJECT; ACCEPTING A NEGOTIATED PROPOSAL FOR THE PURCHASE OF THE BONDS; PROVIDING THAT THE BONDS, WHEN ISSUED, SHALL CONSTITUTE A GENERAL OBLIGATION OF THE TOWNSHIP; AUTHORIZING THE DESIGNATION OF ONE OR MORE SERIES OF THE BONDS AS A "QUALIFIED TAX-EXEMPT OBLIGATION" AS DEFINED IN SECTION 265(b)(3)(B) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"); PROVIDING FOR THE MANNER OF EXECUTION AND OTHER PROVISIONS OF THE BONDS; APPOINTING A PAYING AGENT; COVENANTING TO BUDGET IN EACH FISCAL YEAR WHEN DUE; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE TOWNSHIP FOR THE TIMELY PAYMENT OF DEBT SERVICE ON THE BONDS; ESTABLISHING A SINKING FUND AND PROVIDING FOR PAYMENT OF THE BONDS THEREFROM; DIRECTING THE DEPOSIT OF THE PROCEEDS OF THE BONDS; AUTHORIZING AND DIRECTING THE PREPARATION, VERIFICATION AND FILING OF A DEBT STATEMENT, BORROWING BASE CERTIFICATE AND RELATED MATERIAL WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TOGETHER WITH AN APPLICATION BY THE TOWNSHIP FOR THE APPROVAL OF THE INCURRENCE OF SUCH NON-ELECTORAL DEBT AND ISSUANCE OF THE BONDS; MAKING CERTAIN COVENANTS WITH RESPECT TO THE BONDS RELATING TO FEDERAL TAX AND SECURITIES LAWS; AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF THE BONDS AND SUCH OTHER DOCUMENTS AS MAY BE NECESSARY OR ADVISABLE IN CONNECTION WITH THE ISSUANCE OF THE BONDS, UPON THE APPROVAL OF PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; DIRECTING THE PROPER OFFICERS AND OFFICIALS OF THE

**TOWNSHIP TO DO ALL THINGS NECESSARY TO CARRY OUT SUCH ORDINANCE;
AND RESCINDING ALL INCONSISTENT ORDINANCES.**

WHEREAS, Lower Gwynedd Township, Montgomery County, Pennsylvania (the "Township") is a political subdivision of the Commonwealth of Pennsylvania and is a "local government unit" under terms of the Pennsylvania Local Government Unit Debt Act, as codified by the Act of December 19, 1996 (P.L. 1158, No. 177) (the "Debt Act"); and

WHEREAS, the Board of Supervisors of Lower Gwynedd Township (the "Board of Supervisors") has determined to incur non-electoral indebtedness and issue Bonds (as defined herein) in accordance with the Debt Act, the proceeds of which shall be used for the purpose of providing funds for (1) the acquisition, development and design of a portion of the real property located at 1201 Sumneytown Pike, Spring House, Lower Gwynedd Township, Pennsylvania for use as the Township's new public works facility; and (2) paying the costs and expenses of issuing the Bonds, as hereinafter defined (collectively, the "Project"); and

WHEREAS, the Board of Supervisors has determined that it is in the best interest of the Township to sell the Bonds through a private negotiated sale, and to establish certain parameters under which it will accept a proposal for the purchase of the Bonds; and

WHEREAS, the Township has received an acceptable proposal for the purchase of the Bonds from Stifel Nicolaus & Company, Inc. (the "Purchaser" or "Bond Purchaser") and desires to authorize the acceptance of such proposal (the "Bond Purchase Agreement") and the issuance of the Bonds for the purposes set forth herein, upon the terms and conditions within, and subject to the parameters set forth herein; and

WHEREAS, the Township desires to authorize the issuance of one or more series of its General Obligation Bonds, Series of 2024, in the aggregate principal amount of up to \$6,500,000 for the purposes set forth herein, on a tax-exempt basis, upon the terms and conditions and in the form as herein provided (the "Bonds"), and to authorize the acceptance of the proposal for the purchase of the Bonds.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the Township as follows:

SECTION 1. Establishment of Parameters for Bonds. The Township hereby establishes that the issuance of the Bonds authorized hereunder shall be subject to the Bonds satisfying the following parameters: (a) the Bonds shall not exceed \$6,500,000 in aggregate principal amount (net of original issue discount); (b) the Bonds shall not mature later than the dates set forth on Schedule "A" attached hereto and made part hereof; (c) the purchase price for the Bonds shall not be less than 95% or more than 125% of par of the Bonds; (d) the Underwriter's discount shall not exceed \$6.50 per \$1,000 of Bonds; and (e) the maximum principal amounts and the maximum interest rates shall not exceed those stated on Schedule "A". The Township hereby acknowledges receipt of the Bond Purchase Agreement from the Purchaser, pursuant to which the Township agrees to sell the Bonds to the Purchaser satisfying the conditions and parameters set forth therein as shall be confirmed as set forth below. A copy of the Bond Purchase Agreement shall be

delivered to the Secretary of the Township and shall be affixed to and shall become part of this Ordinance. The Bond Purchase Agreement is hereby approved and accepted and the Chairperson and Secretary of the Board of Supervisors or the Vice Chair or Assistant Secretary, in the absence of the Chairperson or Secretary, respectively, or any duly elected officers, as the case may be, are hereby authorized and directed to execute the Bond Purchase Agreement on behalf of the Township in accordance therewith, and deliver a copy of the executed Bond Purchase Agreement to the appropriate parties. Upon determination by the Chairperson or Vice Chair of the Township that the Addendum to the Bond Purchase Agreement (as defined below) submitted to the Township by the Purchaser meets the parameters set forth above, and that the timing of the proposed closing is appropriate, the Chairperson and Secretary of the Board of Supervisors or the Vice Chair or Assistant Secretary, in the absence of the Chairperson or Secretary, respectively, or any duly elected officers, as the case may be, are hereby authorized to accept and execute on behalf of the Township an Addendum to the Bond Purchase Agreement (as hereinafter defined) for each series of Bonds in accordance therewith, and deliver a copy of the same to the Secretary of the Board of Supervisors pursuant to the procedure set forth below.

The Township's Board of Supervisors is hereby authorized and directed to review and approve the final terms of the Bonds presented by the Purchaser including, without limitation, the final interest rates, initial offering prices and yields and any other appropriate terms and conditions applicable to the Bonds, and to determine if such terms are within the parameters established hereunder. Upon presentation by the Purchaser of the final terms of the Bonds in satisfaction of the conditions and parameters set forth in the Bond Purchase Agreement and this Ordinance, the Chairperson and Secretary of the Board of Supervisors or the Vice Chair or Assistant Secretary, in the absence of the Chairperson or Secretary, respectively, or any duly elected officer, as the case may be, are hereby authorized and directed to confirm in writing that such conditions and parameters have been satisfied, to accept the final terms of the Bonds, to execute and deliver an addendum to the Bond Purchase Agreement for each series of Bonds issued pursuant to this Ordinance (each, an "Addendum to the Bond Purchase Agreement") setting forth the final terms of the Bonds and to authorize the release of the Bonds upon settlement.

SECTION 2. Authorization of Issuance of Bonds and Approval of Project. The Township hereby approves the Project described in the recitals hereto and authorizes the incurring of indebtedness pursuant to the Debt Act by the issuance of the Bonds in the maximum aggregate principal amount of up to \$6,500,000, in one or more series, for the purpose of providing funds for and toward the costs of the Project, including the financing of expenses associated therewith. The Project is being undertaken by the Township for the purpose of providing funds for (1) the acquisition, development and design of a portion of the real property located at 1201 Sumneytown Pike, Spring House, Lower Gwynedd Township, Pennsylvania for use as the Township's new public works facility; and (2) paying the costs and expenses of issuing the Bonds.

SECTION 3. Useful Life/Realistic Cost Estimates. It is hereby determined and declared that in accordance with Section 8142(a)(1) of the Debt Act, the average useful life of the Project is forty (40) years. It is hereby certified that if two or more series of Bonds are issued, the aggregate principal amount of each series of Bonds shall mature prior to the end of the useful life of the Project component which is (or the Project components which are) financed by such series of Bonds.

SECTION 4. Non-Electoral Debt. All of the debt to be incurred upon issuance of the Bonds shall be incurred as non-electoral debt.

SECTION 5. Execution of Debt Statement and Bonds and Filing of Debt Proceedings. The Chairperson and Secretary of the Board of Supervisors or the Vice Chair and Assistant Secretary, in the absence of the Chairperson or Secretary, respectively, or any duly elected officers, as the case may be, are hereby directed to prepare and certify and to file the debt statement required by Section 8110 of the Debt Act, to execute and deliver the Bonds, and to prepare and certify all filings required pursuant to Section 8111 of the Debt Act, pertaining to the submission to the Pennsylvania Department of Community and Economic Development (the "Department"), of the transcript of the proceedings, which shall include certified copies of the Ordinance, proofs of proper publication, the accepted proposal for the purchase of the Bonds and such other documents as may be necessary in connection with the same, and to take all such further action and to execute and deliver such other documents as may be necessary or appropriate to comply with all requirements of the Debt Act or to carry out the intent and purposes of this Ordinance.

SECTION 6. Terms and Form of Bonds. The Bonds when issued shall be general obligation bonds issued in fully registered form, in denominations of Five Thousand Dollars (\$5,000), or in any integral multiple thereof, shall be payable at the place and in the manner, and shall be substantially in the form attached hereto as Schedule "B". The Bonds shall be dated the date of issuance (the "Issuance Date"), shall bear interest from the Issuance Date at rates per annum not to exceed the rates per annum, and mature on the dates set forth in Schedule "A" and as established in accordance with and within the parameters established hereunder. The Bonds shall be numbered as issued without regard to denomination or maturity.

SECTION 7. Appointment of Paying Agent and Sinking Fund Depository. U.S. Bank National Association is hereby appointed to serve as paying agent, bond registrar, and sinking fund depository (the "Paying Agent") for the Bonds. The Chairperson and Secretary of the Board of Supervisors or the Vice Chair and Assistant Secretary, respectively, or any duly elected officers, as the case may be, are directed to contract with the Paying Agent to obtain its services in the aforementioned capacities. The Township shall cause to be kept, and the Paying Agent is hereby directed to keep, at the designated corporate trust offices of the Paying Agent, books for the registration, exchange, and transfer of Bonds in the manner provided herein and therein so long as the Bonds shall remain outstanding. The Paying Agent is hereby directed to make such registrations, exchanges, and transfers without charge to bondholders, except for actual costs, including postage, insurance and any taxes or other governmental charges required to be paid with respect to the same.

SECTION 8. Establishment of Sinking Fund. The Township hereby establishes with the Paying Agent a sinking fund (the "Sinking Fund") for the payment of the Bonds. The Treasurer of the Township shall pay the amounts required for payment of the Bonds into the Sinking Fund, which shall be maintained until such Bonds are paid in full. Sums sufficient to meet the requirements of the semi-annual interest payments and scheduled maturities of the Bonds shall be deposited into the Sinking Fund no later than the date when interest or principal is to become due on the Bonds. The funds in the Sinking Fund shall be subject to withdrawal by the Paying Agent

only to pay the principal and interest on the Bonds as the same becomes due and payable in accordance with the terms thereof. The Township hereby covenants that such monies, to the extent required, will be applicable to such purpose. The principal of and interest on the Bonds shall be payable in lawful money of the United States of America at the designated corporate trust offices of the Paying Agent. Provided however, that if more than one series of Bonds is issued, a separate Sinking Fund shall be established for each series.

SECTION 9. Covenant to Pay Bonds. The Township covenants that, to the fullest extent authorized under law:

a. The amount of the debt service with respect to the Bonds payable in each fiscal year shall be included in the Township budget for that year;

b. The Township shall appropriate such amounts from its general revenues necessary for the payment of such debt service;

c. It shall duly and punctually pay, or cause to be paid from the Sinking Fund or any other of its revenues or funds, the principal of and interest due upon the Bonds, to the extent of its obligations, on the dates, at the places and in the manner stated in the Bonds, according to the true intent and meaning thereof; and

d. For such payment, budgeting and appropriation of the Township herewith irrevocably pledges its full faith, credit, and taxing power.

The covenants contained in this Section shall be specifically enforceable.

SECTION 10. Sale of Bonds. In compliance with Section 8161 of the Debt Act and after due consideration, the Board of Supervisors hereby determines that a private sale by negotiation is in the best financial interest of the Township. The Bonds shall be sold at private sale by negotiation upon receipt of an acceptable proposal for the purchase thereof from the Purchaser in the form of the Bond Purchase Agreement, which shall be in compliance with the provisions of the Debt Act.

SECTION 11. Acceptance of Proposal for Purchase of Bonds. The Township hereby acknowledges receipt of a proposal from the Purchaser in the form of the Bond Purchase Agreement, which has been delivered to the Secretary of the Township and shall be affixed to and shall become part of this Ordinance. The Township hereby finds the Bond Purchase Agreement to be in conformity with the requirements of the Debt Act and of this Ordinance, and is hereby authorized to accept the Bond Purchase Agreement and upon receipt of the Addendum to the Bond Purchase Agreement pursuant to Section 1 of this Ordinance is further authorized to sell the Bonds to the Purchaser as provided in the Bond Purchase Agreement and the Addendum to the Bond Purchase Agreement. The officers of the Township are hereby authorized to deliver the Bonds to the Purchaser upon receipt of the principal amount thereof and upon compliance with all of the conditions precedent to such delivery required by the Debt Act, the Ordinance, the Bond Purchase Agreement and the Addendum to the Bond Purchase Agreement.

SECTION 12. Execution, Authentication and Delivery of Bonds. The Bonds, when issued, shall be executed either manually or by facsimile by the Chairperson or Vice Chair of the Board of Supervisors and shall have the corporate seal or facsimile thereof of the Township affixed thereto and be duly attested by the manual or facsimile signature of the Secretary or Assistant Secretary (or any acting Secretary or Assistant Secretary appointed for such purpose) of the Board of Supervisors. The Bonds shall be authenticated by the manual signature of the Paying Agent. The Chairperson or Vice Chair and Secretary (or any acting Secretary or Assistant Secretary appointed for such purpose) are authorized and directed to deliver the Bonds, but only after the Department has certified its approval pursuant to Section 8204 of the Debt Act, and to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effectuate the issuance, sale and delivery of the Bonds, all in accordance with the Debt Act, this Ordinance, the Bond Purchase Agreement and the Addendum to the Bond Purchase Agreement.

SECTION 13. Appointment of Securities Depository. The Bonds shall be issued in book-entry form only, and one bond shall be registered for each maturity in the name of Cede & Co., as nominee for the Depository Trust Company, New York, New York ("DTC"), which shall act as securities depository for the Bonds on behalf of the firms which participate in the DTC book-entry system ("DTC Participants"). Each bond will be in the aggregate principal amount of such maturity as established in accordance with the final terms of the Bonds within the parameters set forth herein. The Township shall cause the Bonds to be delivered to DTC for the benefit of the Bond Purchaser on or before the date of issuance of the Bonds.

Pursuant to the book-entry only system, any person for whom a DTC Participant acquires an interest in the Bonds (the "Beneficial Owner") will not receive certificated Bonds and will not be the registered owner thereof. Ownership interest in the Bonds may be purchased by or through DTC Participants. Each DTC Participant will receive a credit balance in the records of DTC in the amount of such DTC Participant's in the Bonds, which will be confirmed in accordance with DTC's standard procedures. Receipt by the Beneficial Owners (through any DTC Participant) of timely payment of principal, premium, if any, and interest on the Bonds, is subject to DTC making such payment to DTC Participants and such DTC Participants making payment to Beneficial Owners. Neither the Township nor the Paying Agent will have any direct responsibility or obligation to such DTC Participants or the persons for whom they act as nominees for any failure of DTC to act or make any payment with respect to the Bonds.

The Township is authorized to execute such documents as may be necessary or desirable in connection with DTC's services as securities depository. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the Township and discharging its responsibilities with respect thereto under applicable law. Under such circumstances, the Township officials then holding the offices set forth in Section 12 of this Ordinance are hereby authorized to designate a successor securities depository or to deliver certificates to the Beneficial Owners of the Bonds.

SECTION 14. Redemption Provisions. Specific redemption provisions, including mandatory redemption provisions, if any, will be as set forth in the Bond Purchase Agreement or the Addendum to the Bond Purchase Agreement, and as further set forth in the Bonds.

The Paying Agent shall give notice of any such redemption by first class mail, postage prepaid, mailed not less than thirty (30) nor more than forty-five (45) days prior to the redemption date to each registered owner of the Bonds to be redeemed at its registered address as it appears on the bond register maintained by the Paying Agent, or such other notice of redemption as deemed appropriate. Such notice having been mailed and funds sufficient for redemption having been deposited with the Paying Agent, the Bonds so called for redemption shall become due and payable on the date fixed for redemption and interest thereafter shall cease to accrue thereon, whether such Bonds shall be presented for payment or not.

SECTION 15. Limitation on Indebtedness. It is declared that the debt to be incurred hereby, together with any other indebtedness of the Township, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the Township.

SECTION 16. Federal Tax Covenants. The Township hereby covenants with the holders of the Bonds that it will at all times do and perform all actions and things within its power which are necessary or desirable in order to assure that interest paid on the Bonds will, for purposes of U.S. federal income taxation, be and remain excludable from the gross income of the recipients thereof and that it will refrain from doing or performing any act or thing that would cause such interest not to be so excludable and to otherwise comply with the requirements of Section 103, and Sections 141 through 150, of the Code. The Township further covenants with the holders of the Bonds that it will make no investment or other use of the proceeds of the Bonds, which, if such investment or use had been reasonably expected on the date of issuance of the Bonds would cause the Bonds to be "arbitrage bond(s)" within the meaning of Section 148 of the Code, and the regulations applicable thereto and that this covenant shall extend throughout the term of the Bonds and shall apply to all amounts which are proceeds of the Bonds for purposes of said section and regulations. Neither the Treasurer nor any other official or agent of the Township shall make any investment inconsistent with the foregoing covenant. The Treasurer and all other Township officials responsible for investment shall request and follow, if given, the advice or direction of bond counsel for the Township (the "Bond Counsel") as to investments, which may be made in compliance with this covenant. The appropriate officers of the Township are hereby authorized to execute a federal tax certificate (the "Federal Tax Certificate") to carry out the foregoing covenants.

The Federal Tax Certificate shall be substantially in the form acceptable to Bond Counsel, with such changes as may be approved by the officer executing the Federal Tax Certificate, upon the advice of Bond Counsel, such approval to be conclusively evidenced by such officer's execution of the Federal Tax Certificate. If required under the Federal Tax Certificate, there shall be established a "bond rebate fund," which shall be held and maintained by the Township in accordance with the Federal Tax Certificate, separate and apart from other funds of the Township. The foregoing tax covenants in this Section 16 may be excused or modified if, and to the extent that, the Township receives an opinion of nationally recognized bond counsel that such absence of compliance will not adversely affect the excludability of interest on the Bonds from U.S. federal income taxation.

For purposes of this Ordinance and the undertaking of the Project, the Township reasonably expects that the Bonds will be designated by the Township or will be deemed designated under Section 265(b)(3)(D)(ii), as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. The Township has not issued, and does not reasonably anticipate issuing, tax-exempt obligations which, when combined with the Bonds, will result in more than \$10,000,000 of tax-exempt obligations being issued in 2024. For purposes only of the foregoing sentence, the term “tax-exempt obligation” shall include any “qualified 501(c)(3) bond,” as defined in Code Section 145, but shall not include any other “private activity bond,” as defined in Code Section 141(a), any obligation which would be an “industrial development bond” or a “private loan bond,” as defined in Sections 103(b)(2) and 103(o)(2)(a) of the Internal Revenue Code of 1954, as amended, but for the fact that it is issued pursuant to Sections 1312, 1313, 1316(g) or 1317 of the Tax Reform Act of 1986, or any obligation issued to currently refund any obligation to the extent the amount thereof does not exceed the outstanding amount of the refunded obligation. The Township hereby authorizes the proper officers of the Township to execute a certificate to that effect at the time of the issuance of the Bonds.

SECTION 17. Covenant to Provide Continuing Disclosure. The Township is hereby authorized and directed to execute and deliver to the Bond Purchaser a continuing disclosure certificate or agreement (the “Continuing Disclosure Agreement”), pursuant to which the Township shall covenant with the holders from time to time of the Bonds, in accordance with Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”), to provide to the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access (“EMMA”) system or such depository specified pursuant to Rule 15c2-12, on an annual basis, certain financial and other information concerning the Township and notices, from time to time as applicable, of certain specified events as required to be disclosed by Rule 15c2-12, and as set forth in the Continuing Disclosure Agreement. The Chairperson, Vice Chair and other proper officers of the Township are hereby authorized to execute and deliver the Continuing Disclosure Agreement containing such provisions as are deemed necessary or appropriate by Bond Counsel and as are approved by such officers of the Township executing the same.

SECTION 18. Approval of Official Statement. The appropriate officers of the Township authorized by this Ordinance to accept the final terms of the Bonds are hereby authorized to approve a Preliminary Official Statement together with any necessary supplements or amendments thereto (collectively, the “Preliminary Official Statement”) for the Bonds in the form to be prepared in connection with the public offering and sale of the Bonds by the Bond Purchaser, and such Preliminary Official Statement as so approved shall be “deemed final” by the Township as of its date for purposes of Rule 15c2-12. A final Official Statement together with any necessary supplements and amendments thereto (collectively, the “Official Statement”) setting forth the final terms of the Bonds within the parameters established hereunder as accepted by the Township, substantially in the form of the Preliminary Official Statement approved by the appropriate officers of the Township in accordance with the foregoing provisions with such additions and other changes, if any, as may be approved by the appropriate officers of the Township with the advice of the Township Solicitor and containing the final terms of the Bonds, shall be prepared and delivered to the Bond Purchaser within seven (7) business days from the date of the Addendum to the Bond Purchase Agreement, and the Township hereby approves the use thereof in connection with the public offering and the sale of the Bonds.

SECTION 19. Bond Insurance. If the Bond Purchase Agreement or an Addendum to the Bond Purchase Agreement so provide, and lower interest costs would thereby be available to the Township, the officers of the Township are hereby authorized to purchase a policy of insurance guaranteeing the payment of the principal of and interest on all or a portion of the Bonds, to pay the premium for such policy from the proceeds of the Bonds and to execute such documents as may be necessary to effect the issuance of such policy. If applicable, the Bonds issued under this Ordinance may include a statement of the terms of such insurance policy and the Authentication Certificate of the Paying Agent appearing on each Bond may include a statement confirming that the original or a copy of the insurance policy is on file with the Paying Agent.

SECTION 20. Application of Bond Proceeds. The purchase price of the Bonds and any accrued interest payable by the Bond Purchaser shall be paid to the Paying Agent on behalf of the Township. In addition, the Township shall deposit with the Paying Agent any bid security and make such additional deposits of cash from the funds of the Township as shall be necessary to cover all of the issuance costs of the Bonds. Upon receipt of such funds, the Paying Agent shall deposit the same in a settlement account. From the settlement account, the Paying Agent shall make the deposits and disbursements set forth on the Closing Statement executed by the officers of the Township, for the payment on behalf of the Township of the costs of the issuance and sale of the Bonds, upon presentation of proper invoices therefor, and shall deposit the remaining proceeds of the Bonds in a segregated Project Fund which shall be established by the Township, and applied toward the payment of the remaining costs of the Project.

SECTION 21. Reimbursement. The Township hereby declares its official intent that it may reimburse itself from proceeds of the Bonds for part or all of (a) those costs of the Project which have been paid by the Township during the sixty (60) day period ending on the date of this Ordinance and (b) such other costs of the Project which have been paid by the Township prior to the date of this Ordinance and which may properly be reimbursed from proceeds of the Bonds pursuant to Treasury Regulation 1.150-2.

SECTION 22. Officers Authorized to Act. For purposes of expediting the closing and the issuance and delivery of the Bonds, or in the event that the Chairperson of the Board of Supervisors or the Secretary of the Board of Supervisors shall be absent or otherwise unavailable for the purpose of executing the documents, or for the purpose of taking any other action which they or either of them may be authorized to take pursuant to this Resolution, the Vice Chair of the Board of Supervisors or the Assistant Secretary, respectively, are hereby authorized and directed to execute documents, or otherwise to act on behalf of the Township in their stead.

SECTION 23. Further Actions. The Chairperson and Secretary of the Board of Supervisors or the Vice Chair and Assistant Secretary, in the absence of the Chairperson or Secretary, respectively, or any duly elected officers, as the case may be, are hereby authorized to execute any agreements, instruments or documents and to do or cause to be done any and all acts and things deemed necessary or appropriate for the carrying out of the purposes of this Ordinance and to comply with the Debt Act.

SECTION 24. Act Applicable to Bonds. This Ordinance is adopted pursuant to, and the Bonds issued hereunder shall be subject to, the provisions of the Debt Act and all the mandatory provisions thereof shall apply hereunder whether or not explicitly stated herein.

SECTION 25. Contract with Bond Owners. This Ordinance constitutes a contract with the registered owners of the Bonds outstanding hereunder and shall be enforceable in accordance with the provisions of the laws of the Commonwealth of Pennsylvania.

SECTION 26. Appointment of Financial Team. The Township hereby appoints the following for the issuance of the Bonds: PFM Financial Advisors LLC as financial advisor, Stifel Nicolaus & Company, Inc. as Underwriter and Obermayer Rebmann Maxwell & Hoppel LLP as Bond Counsel.

SECTION 28. Severability. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the Township that such remainder shall be and shall remain in full force and effect.

SECTION 29. Repealer. All prior ordinances or parts thereof inconsistent herewith are hereby repealed.


SECTION 30. Effective Date. This Ordinance shall take effect on the earliest date permitted by the Debt Act.

(Signature page follows)

DULY ORDAINED AND ENACTED this 12th day of November, 2024.

**BOARD OF SUPERVISORS
LOWER GWYNEDD TOWNSHIP**

Attest: 
Name: Mimi Gleason
Title: Township Manager/Secretary

By: 
Name: Danielle A. Duckett
Title: Chairperson

SCHEDULE "A"

BOND PRINCIPAL, MAXIMUM INTEREST RATES, MATURITY SCHEDULE

LOWER GWYNEDD TOWNSHIP					
Series of 2024				Settle	12/19/2024
				Dated	12/19/2024
MAXIMUM PARAMETERS					
1	2	3	4	5	6
<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Fiscal Year Debt Service</u>
2/1/2025			41,708.33	41,708.33	
8/1/2025	300,000	5.500	178,750.00	478,750.00	520,458.33
2/1/2026			170,500.00	170,500.00	
8/1/2026	225,000	5.500	170,500.00	395,500.00	566,000.00
2/1/2027			164,312.50	164,312.50	
8/1/2027	235,000	5.500	164,312.50	399,312.50	563,625.00
2/1/2028			157,850.00	157,850.00	
8/1/2028	240,000	5.500	157,850.00	397,850.00	555,700.00
2/1/2029			151,250.00	151,250.00	
8/1/2029	250,000	5.500	151,250.00	401,250.00	552,500.00
2/1/2030			144,375.00	144,375.00	
8/1/2030	265,000	5.500	144,375.00	409,375.00	553,750.00
2/1/2031			137,087.50	137,087.50	
8/1/2031	275,000	5.500	137,087.50	412,087.50	549,175.00
2/1/2032			129,525.00	129,525.00	
8/1/2032	290,000	5.500	129,525.00	419,525.00	549,050.00
2/1/2033			121,550.00	121,550.00	
8/1/2033	300,000	5.500	121,550.00	421,550.00	543,100.00
2/1/2034			113,300.00	113,300.00	
8/1/2034	310,000	5.500	113,300.00	423,300.00	536,600.00
2/1/2035			104,775.00	104,775.00	
8/1/2035	320,000	5.500	104,775.00	424,775.00	529,550.00
2/1/2036			95,975.00	95,975.00	
8/1/2036	330,000	5.500	95,975.00	426,975.00	521,950.00
2/1/2037			86,900.00	86,900.00	
8/1/2037	340,000	5.500	86,900.00	426,900.00	513,800.00
2/1/2038			77,550.00	77,550.00	
8/1/2038	360,000	5.500	77,550.00	437,550.00	515,100.00
2/1/2039			67,650.00	67,650.00	
8/1/2039	370,000	5.500	67,650.00	437,650.00	505,300.00
2/1/2040			57,475.00	57,475.00	
8/1/2040	385,000	5.500	57,475.00	442,475.00	499,950.00
2/1/2041			46,887.50	46,887.50	
8/1/2041	400,000	5.500	46,887.50	446,887.50	493,775.00
2/1/2042			35,887.50	35,887.50	
8/1/2042	420,000	5.500	35,887.50	455,887.50	491,775.00
2/1/2043			24,337.50	24,337.50	
8/1/2043	430,000	5.500	24,337.50	454,337.50	478,675.00
2/1/2044			12,512.50	12,512.50	
8/1/2044	455,000	5.500	12,512.50	467,512.50	480,025.00
TOTALS	6,500,000		4,019,858.33	10,519,858.33	10,519,858.33

PFM Financial Advisors LLC | 11/8/2024

SCHEDULE "B"

FORM OF BONDS

Unless this certificate 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 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 in as much as the registered owner hereof, Cede & Co., has an interest herein.

NO: R-

\$000,000

**LOWER GWYNEDD TOWNSHIP
MONTGOMERY COUNTY, PENNSYLVANIA
GENERAL OBLIGATION BONDS
SERIES OF 2024**

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
0.000%	_____, 20__	Date of Delivery	

REGISTERED OWNER:

CEDE & CO.

PRINCIPAL SUM:

DOLLARS

LOWER GWYNEDD TOWNSHIP, Montgomery County, Commonwealth of Pennsylvania (the "Township"), for value received, hereby promises to pay to the registered owner named above, or registered assigns, on the maturity date specified above, unless this Bond shall have been previously called for redemption in whole or in part and payment of the redemption price shall have been duly made or provided for, the principal sum shown above, and to pay interest thereon calculated on the basis of a 360-day year, at the annual rate specified above from the interest payment date next preceding the date of registration and authentication of this Bond, unless: (a) this Bond is registered and authenticated as of an interest payment date, in which event it shall bear interest from such interest payment date; or (b) this Bond is registered and authenticated after a Record Date (as hereinafter defined) and before the next succeeding interest payment date, in which event it shall bear interest from such interest payment date; or (c) this Bond is registered and authenticated on or prior to the Record Date preceding the first interest payment date, in which event it shall bear interest from its Date of Delivery; or (d) as shown by the records of the Paying Agent, interest on this Bond shall be in default, in which event it shall bear interest from the date to which interest was last paid on this Bond. Interest shall be paid initially on [_____] and thereafter, semi-annually on [____] 1] and [____] 1] of each year until the principal sum is paid. The principal or redemption price of and interest on this Bond may be

paid in any coin or currency of the United States of America, which, at the time of payment, is legal tender for the payment of public or private debts.

The principal or redemption price of this Bond is payable upon presentation and surrender hereof at the principal corporate office of U.S. Bank National Association as Paying Agent (the "Paying Agent"). Interest shall be paid by check mailed to the registered owner hereof as shown on the registration books kept by the Paying Agent as of the close of business on the applicable Record Date, or at the election of such registered owner of this Bond in a denomination of \$500,000 or more, by wire transfer to a designated account, provided that any such election shall be received by the Paying Agent in writing not less than ten (10) days prior to the first payment of interest to which it relates.

Interest on this Bond is payable by check or draft drawn on the Paying Agent which shall be mailed to the registered owner whose name and address shall appear at the close of business on the fifteenth (15th) day of the calendar month (whether or not a day on which the Paying Agent is open for business) next preceding each interest payment date (the "Record Date"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of this Bond subsequent to such Record Date and prior to such interest payment date, unless the Township shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name the Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent to the registered owners of this Bond not less than ten (10) days preceding such special record date, but not more than thirty (30) days prior to the payment of such defaulted interest. Such notice shall be mailed to the person in whose name this Bond is registered at the close of business on the fifth (5th) day preceding the date of mailing.

If the date for payment of the principal of or interest on this Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth of Pennsylvania are authorized by law or executive order to close, then the date for payment of such principal or interest shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment.

[This Bond is not insured.]

This Bond is one of a duly authorized issue of [\$_____] aggregate principal amount of General Obligation Bonds, Series of 2024 (the "Bonds") of the Township consisting of Bonds in the denomination of \$5,000 or any integral multiple thereof. The Bonds are issued in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as codified by the Act of December 19, 1996 (P.L. 1158, No. 177) (the "Act"), without the assent of the electors, pursuant to an Ordinance of the Board of Supervisors of the Township adopted November 12, 2024 (the "Ordinance") which authorized the issuance of the Bonds. The Bonds have been issued by the Township for the purposes of financing the costs of a project (the "Project") consisting of providing funds for (1) the acquisition, development and design of a portion of the real property located at 1201 Sumneytown Pike, Spring House, Lower Gwynedd Township, Pennsylvania for

IN WITNESS WHEREOF, the Township has caused this Bond to be executed in its name by the facsimile signature of its Chairperson and attested by the facsimile signature of its Secretary.

LOWER GWYNEDD TOWNSHIP

Attest: _____
Name: Mimi Gleason
Title: Township Manager/Secretary

By: _____
Name: Danielle A. Duckett
Title: Chairperson

use as the Township's new public works facility; and (2) paying the costs and expenses of issuing the Bonds.

Reference is hereby made to the Ordinance and the Act for a complete statement of the right of the holders hereof, which by acceptance of this Bond, such holder accepts. Reference is also made to the further provisions of this Bond set forth on the reverse side hereof, which provisions shall for all purposes have the same effect as if set forth in full herein.

This Bond shall not be valid or become obligatory for any purpose unless the Certificate of Authentication shall have been signed by the manual signature of an authorized signatory of the Paying Agent.

[Remainder of page intentionally blank.]

OPTIONAL REDEMPTION

The Bonds stated to mature on or after [] are subject to redemption prior to maturity at the option of the Township in any order of maturities either as a whole, or in part, at any time on or after [], and, if in part, by lot within a maturity, at a redemption price equal to 100% of the principal amount thereof, together with accrued interest to date fixed for redemption.

MANDATORY REDEMPTION

The Bonds maturing on [] of the years 20[] and 20[] (the "Term Bonds") are subject to mandatory redemption prior to maturity, in part, by lot from monies to be deposited in the sinking fund created under the Ordinance at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date. The Township covenants that it will or will cause the Paying Agent to select by lot, give notice of redemption, and redeem Term Bonds at said redemption price in the principal amount, as outlined in the Ordinance, on [] of the following years in the following amounts:

Bonds stated to mature [] 1, 20 []

NOTICE OF REDEMPTION

Notice of any redemption shall be given by depositing a copy of the redemption notice by first class mail, postage prepaid, not less than thirty (30) days nor more than forty-five (45) days prior to the date fixed for redemption addressed to each of the registered owners of Bonds to be redeemed, in whole or in part, at the addresses shown on the registration books maintained by the Paying Agent. Such notice shall be given in the name of the Township, shall identify the Bonds to be redeemed (and, in the case of a partial redemption of any Bonds, the respective principal amount thereof to be redeemed), shall specify the redemption date and the redemption price, and shall state that on the redemption date the Bonds called for redemption will be payable at the designated corporate trust office of the Paying Agent and that from the date of redemption interest will cease to accrue. The Paying Agent shall use "CUSIP" numbers (if then generally in use) in notices of redemption as a convenience to Bond owners, provided that any such notice shall state that no representation is made as to the correctness of such numbers either as printed on the Bonds or as contained in any notice of redemption and that reliance may be placed only on the identification numbers prefixed "R-" printed on the Bonds. Failure to give such notice by mailing, or any defect therein or in the mailing thereof, shall not affect the validity of any proceeding for redemption of other Bonds called for redemption as to which proper notice has been given.

With respect to any optional redemption of Bonds, if at the time of mailing such notice of redemption, the Township shall not have deposited with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Paying Agent not later than the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal and accrued interest being held by the Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof shall cease to be entitled to any benefit or security under the Ordinance and registered owners of such Bonds or portions thereof so called for redemption shall have no rights with respect to such Bonds, except to receive payment of the principal of and accrued interest on such Bonds to the date fixed for redemption.

If a Bond is of a denomination larger than \$5,000, a portion of such Bond may be redeemed. For the purposes of redemption, a Bond shall be treated as representing that number of Bonds which is obtained by dividing the principal amount thereof by \$5,000, each \$5,000 portion of such Bond being subject to redemption. In the case of partial redemption of a Bond, payment of the redemption price shall be made only upon surrender of such Bond in exchange for Bonds of the same maturity and in authorized denominations in aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth of Pennsylvania are authorized by law or executive order to close, then the date for payment of the principal, if any, and interest upon such redemption shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a

day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of redemption.

If the Township deposits with the Paying Agent funds sufficient to pay the principal or redemption price of any Bonds becoming due at maturity, by call for redemption or otherwise, together with interest accrued to the due date, interest on such Bonds will cease to accrue on the due date, and thereafter the holders shall have no rights with respect thereto, except to receive payment of principal to be redeemed and accrued interest thereon to the date fixed for redemption.

This Bond is registered as to both principal and interest on the registration books to be kept for that purpose at the principal office of the Paying Agent, and both principal and interest shall be payable only to the registered owner hereof. This Bond is transferable or exchangeable by the registered owner thereof upon surrender of the Bonds to the Paying Agent, at its principal corporate trust office, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of such Bond in the registration books, or his/her attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of Bonds in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same series, maturity and interest rate for its aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time. The Township and the Paying Agent shall not be required to issue, or register the transfer or exchange of any Bond: (a) during the period beginning at the opening of business on any Record Date for interest payments and ending at the close of business on such interest payment date; (b) during the beginning of the opening of business on the fifteenth (15th) business day next preceding any date of selection of Bonds to be redeemed and ending at the close of business on the day on which the applicable notice of redemption is mailed; (c) during the period beginning at the opening of business on the first business day next succeeding the business day the Paying Agent determines the registered owners of the Bonds to receive notice of any special record date and the close of business on the special record date; or (d) after it has been selected or called for redemption, in whole or in part. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same series, maturity and interest rate. The Township and Paying Agent may deem and treat the registered owner of this Bond as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary.

This Bond is not valid unless the Paying Agent Authentication Certificate endorsed hereon is duly executed.

The Township, pursuant to recommendations made by the Committee on Uniform Security Identification Procedures, has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices of redemption and other notices, if any, as a convenience to bondholders. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice and reliance may be placed only on the identification number printed hereon.

No recourse shall be had for the payment of principal of, or interest on this Bond, or for any claim based hereon or on the Ordinance against any director, officer, or employee, past, present, or future, of the Township or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such directors, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

It is hereby certified that the approval of the Department of Community and Economic Development of the Commonwealth of Pennsylvania for the Township to issue and deliver this Bond has been duly given pursuant to the Act; that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed precedent to or in the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond, together with all other indebtedness of the Township, is within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania; and that the Township has established with the Paying Agent as Sinking Fund Depository a sinking fund for the Bonds and shall deposit therein amounts sufficient to pay the principal of and interest on the Bonds as the same shall become due and payable.

This Bond is hereby declared to be a general obligation of the Township. The Township, in the Ordinance authorizing the issuance of the series of Bonds of which this Bond is one, has covenanted with the holders from time to time, of the Bonds of said series that, to the fullest extent authorized by law, the Township will include the amount of the debt service charges on the same for each fiscal year in which such sums are payable, in its budget for that year, that it will appropriate such amount from its general revenues necessary for the payment of such debt service, and will duly and punctually pay or cause to be paid from the Sinking Fund or any other of its revenues or funds, the principal of and interest due upon every Bond, at the dates and places and in the manner stated in the Bonds, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the Township has irrevocably pledged its full faith, credit and taxing power. This covenant is specifically enforceable.

[Remainder of page intentionally blank]

AUTHENTICATION CERTIFICATE

This Bond is one of the Lower Gwynedd Township's General Obligation Bonds, Series of 2024 described in the within mentioned Ordinance. Attached hereto is the complete text of the opinion of Obermayer Rebmann Maxwell & Hippel LLP, Centre Square West, 1500 Market Street, Suite 3400, Philadelphia, Pennsylvania 19102, Bond Counsel to Lower Gwynedd Township, a signed copy of which is on file with the undersigned, which was dated the date of initial delivery of, and payment for, the Bonds.

U.S. Bank National Association
as Paying Agent

By: _____
Name:
Title:

Date of Authentication: _____, 2024

(FORM OF ASSIGNMENT)
ASSIGNMENT

For value received _____ hereby sells, assigns and transfers unto _____, # _____ (please insert social security or taxpayer-identification number) the within Bond issued by the _____ and all rights thereunder, hereby irrevocably appointing _____ Attorney to transfer said Bond on the Bond Register, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed: _____

Notice: Signature(s) must be guaranteed by an approved eligible guarantor institution, an institution which is a participant in a Securities Transfer Association recognized signature guarantee program.

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 whatsoever.

(FORM OF ABBREVIATIONS)

The following abbreviations, when used in the inscription on the face of the within Bond shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM – as tenants in common
TEN ENT – as tenants by the entireties
JT TEN – as joint tenants with the right of survivorship and not as tenants in common

UNIFORM GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in the above list.

BOND PURCHASE AGREEMENT

BOND PURCHASE PROPOSAL

For

TOWNSHIP OF LOWER GWYNEDD
Montgomery County, Pennsylvania

\$6,500,000 Maximum Aggregate Principal Amount

General Obligation Bonds, Series of 2024

November 12, 2024

Stifel, Nicolaus & Company, Incorporated

BOND PURCHASE PROPOSAL

November 12, 2024

TOWNSHIP OF LOWER GWYNEDD
Montgomery County, Pennsylvania

\$6,500,000 Maximum Aggregate Principal Amount

General Obligation Bonds, Series of 2024

Township of Lower Gwynedd
1130 North Bethlehem Pike
Spring House, Pennsylvania 19477

Dear Chair Duckett and Members of the Township Board of Supervisors:

The undersigned, Stifel, Nicolaus & Company, Incorporated (the "Underwriter") acting on its own behalf, acting not as fiduciary, advisor or agent to you, hereby offers to enter into this Bond Purchase Proposal (the "Proposal") with the Township of Lower Gwynedd, Montgomery County, Pennsylvania (the "Township") which, upon the Township's written acceptance of this offer, will be legally binding upon the Township and upon the Underwriter. This offer is made subject to the Township's written acceptance of this Proposal on or before 11:59 p.m. prevailing eastern time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Township at any time prior to the acceptance hereof by the Township.

Capitalized terms and phrases used in this Proposal shall have the meanings ascribed thereto in the further provisions of this Proposal or, if not defined in this Proposal, in the Ordinance to which reference is hereinafter made.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

1. Purchase and Sale of the Bonds

Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the Township for offering to the public, and the Township hereby agrees to sell and deliver to the Underwriter for such purpose, all, but not less than all, of the Township's General Obligation Bonds (the "Bonds"). The Bonds may be issued in multiple series bearing separate designations, so long as the aggregate principal amount of any such series does not exceed \$6,500,000. The Bonds are to be issued for the purpose of providing funds for and towards (i) the acquisition, development and design of a portion of the real property located at 1201 Sumneytown Pike, Spring House for use as the Township's new public works facility; and (ii) paying related costs and expenses of issuance of the Bonds. The Bonds shall have such other terms and conditions as are set forth in the Ordinance and the Addendum (each as hereinafter defined), including the various schedules attached thereto (the "Schedules"), any of which may be amended only by mutual written agreement of the Township and the Underwriter, and as will be described in the Preliminary Official Statement and in the Official Statement (each as hereinafter defined).

The Bonds shall be described in, and shall be issued and secured under and pursuant to, the terms and conditions of the Ordinance (defined below) and the provisions of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania (the "Act").

The final aggregate principal amount of the Bonds, the final annual principal maturities or mandatory sinking fund payment amounts with respect to the Bonds, and the final annual interest rates per each maturity of the Bonds shall be set forth in the Addendum for such series and shall not exceed the respective amounts and rate(s) nor the aggregate principal amounts set forth in Schedule I attached hereto (as hereinafter defined).

The purchase price for the Bonds, including underwriting discount and net original issue discount or net original issue premium, if any, shall be negotiated and set forth in one or more written addenda to this Proposal (each an "Addendum") for such series to be executed by both parties prior to the Closing Date (as hereinafter defined) for such series. The net purchase price for the Bonds, including the Underwriter's discount and total net original issue discount or premium, shall not be less than 95.0% nor more than 125.0% of the aggregate principal amount of the Bonds to be issued and delivered by the Township, plus accrued interest, if any, on the Bonds from the dated date of the Bonds to the Closing Date. The Bonds shall be subject to optional redemption and mandatory sinking fund redemption prior to maturity as described in the Addendum. The final interest rates, initial offering prices and yields to maturity, redemption provisions (optional and mandatory), sources and uses of funds and any other appropriate terms and conditions applicable to the Bonds, not inconsistent with the Ordinance, also shall be set forth in the Addendum. The Bonds will be issued and delivered by the Township on the Closing Date (as hereinafter defined) and the Underwriter shall, at the time of Closing, pay the purchase prices for the Bonds to be issued as set forth in the Addendum, plus accrued interest, if any, from the dated date of such Bonds to the date of delivery of such Bonds.

The Township acknowledges and agrees that (i) the primary role of the Underwriter is to purchase securities pursuant to this Proposal and the Addendum, in an arm's length commercial transaction between the Township and the Underwriter, for resale to investors, and the Underwriter has financial and other interests that differ from those of the Township, (ii) the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Township and has not assumed an advisory or fiduciary responsibility to the Township with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Township on other matters), (iii) the only obligations the Underwriter has to the Township with respect to the transaction contemplated hereby are expressly as set forth in this Proposal and the Addendum, and (iv) the Township has consulted its own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent it has deemed appropriate. The Township acknowledges that it has received a letter dated October 23, 2024 from the Underwriter that provides certain disclosures required by the MSRB Rule G-17.

The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial offering prices set forth on the inside cover page of the Official Statement and execute one or more Issue Price Certificates in substantially the form attached hereto and marked "Appendix A" with any such modifications as acceptable to Bond Counsel and the Underwriter, verifying such bona fide public offering and establishing the "issue price" of the Bonds as of the date of the Addendum. Thereafter, such offering prices may be changed without notice from time to time by the Underwriter.

2. The Bonds

The Township shall prepare or cause to have prepared a Preliminary Official Statement containing appropriate descriptions of the Township, the Bonds and other material information with respect to the Township and the Bonds (the "Preliminary Official Statement") prior to the marketing and public offering of the Bonds. The Township also shall prepare or cause to be prepared a final Official Statement, with such amendments and supplements to a date not more than seven (7) business days after the Addendum has been signed by both parties, but not later than the Closing Date, or otherwise as may be mutually agreed to by the Township and the Underwriter (the "Official Statement").

The Bonds shall be described in the Schedules and the Official Statement and shall be authorized, issued and secured pursuant to an ordinance enacted by the Township on November 12, 2024 (the "Ordinance"). The Ordinance, this Proposal and the Addendum shall comply with the provisions of the Act.

3. Use of Documents; Certain Covenants and Agreements of the Township

- (a) The Township hereby authorizes the use by the Underwriter of the Ordinance, the Preliminary Official Statement and the Official Statement, including any supplements

or amendments thereto, and the information therein contained in connection with the public offering and sale of the Bonds.

(b) The Township covenants and agrees:

- (i) To cause to be made available to the Underwriter such reasonable quantities of the Preliminary Official Statement as the Underwriter may request for use in connection with the offering and sale of the Bonds and to cause copies of the final Official Statement to be delivered to the Underwriter in sufficient quantity and in such format as may reasonably be requested by the Underwriter in order to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the terms of the Securities Exchange Act of 1934, as amended, and the rules of the Municipal Securities Rulemaking Board ("MSRB"), to the extent applicable and appropriate, without charge, not less than fifteen (15) days prior to the Closing Date, and in any event in sufficient time to accompany any confirmation requesting payment for Bonds from any customers of the Underwriter;
- (ii) To notify the Underwriter in writing of any event which occurs prior to the Closing Date or within twenty-five (25) days following the Closing Date and of which the Township becomes aware that may cause the Official Statement to contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, and if, in the opinion of the Underwriter, it is necessary to amend or supplement the Official Statement in order to make the statements therein, in light of the circumstances when the Official Statement is delivered to a purchaser, not misleading, to prepare and furnish promptly and at its own expense (in a form and manner reasonably approved by the Underwriter), a reasonable number of copies of appropriate amendments or supplements to the Official Statement, as requested by the Underwriter, in form and content reasonably satisfactory to the Underwriter so that the statements in the Official Statement as so amended and supplemented will not be misleading or so that the Official Statement will comply with applicable law and that will permit the Township to make and deliver the certification required by Section 6(f)(iii) below on and as of the Closing Date. If it is necessary to amend or supplement the Official Statement to permit the delivery of such certification, the Township shall cooperate in amending or supplementing the Official Statement to permit such certification on the Closing Date;
- (iii) To advise the Underwriter immediately of receipt by the Township of any written notification with respect to (A) the suspension of the qualification of the Bonds for sale in any jurisdiction or (B) the initiation or threat of any proceeding for that purpose;

- (iv) To notify the Underwriter in writing of any event of which the Township becomes aware that constitutes or may constitute a Change in Law (as herein defined) or casts doubt upon, or questions the ability of the Township to issue or deliver the Bonds on the Closing Date as provided in this Proposal, promptly upon the Township becoming aware of such event and the Underwriter hereby agrees to notify the Township in writing of any event that constitutes or may constitute a Change in Law (as herein defined) in the same manner as imposed upon the Township in this clause (iv);
- (v) To notify the Underwriter of the proposed issuance of any other bonds or notes or the incurrence of any other indebtedness of the Township prior to, the Closing Date;
- (vi) To obtain, and maintain in full force and effect, all consents of any governmental or regulatory authority that are required to be obtained by it with respect to this Proposal and the authorization, sale, issuance, execution or delivery of the Bonds or the execution and delivery of any other agreements or documents contemplated by the Ordinance, this Proposal, the accepted Addendum or the Official Statement to be executed and delivered by or on behalf of the Township in connection with the authorization, sale, issuance and delivery of the Bonds, and shall use reasonable efforts to obtain any consents that may become necessary in the future; and
- (vii) To comply in all material respects with all applicable laws and orders to which it may be subject if failure to comply would impair its ability to perform its obligations under this Proposal, the accepted Addendum, the Bonds or the Township Documents (hereinafter defined);

4. Representations and Warranties of the Township

The Township hereby represents and warrants to the Underwriter, which representations and warranties shall survive the purchase and offering of the Bonds, as follows:

- (a) The information contained in the Preliminary Official Statement as of its date, and the information contained in the final Official Statement as of its date and as of the Closing Date, are and will be true and correct in all material respects, and the Preliminary Official Statement as of its date, and the Official Statement as of its date and as of the Closing Date, does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein contained, in light of the circumstances under which they were made, not misleading (however, the Township makes no representation regarding the information therein related to The Depository Trust Company ("DTC")).

- (b) The Township is a political subdivision of the Commonwealth of Pennsylvania, duly existing under the laws thereof and, as such, has the power to issue the Bonds for the purposes described in the Ordinance, this Proposal, the accepted Addendum, the Bonds, the Preliminary Official Statement and the final Official Statement.
- (c) As of the Closing Date, the Township has duly authorized and has taken all necessary action for: (a) the enactment of the Ordinance, (b) the issuance and sale of the Bonds upon the terms set forth herein and in the Ordinance, the accepted Addendum and the Official Statement, and (c) the approval, execution and delivery or receipt, as appropriate, by it of the Bonds, the Official Statement, this Proposal, the accepted Addendum, the tax compliance agreement or certificate to be executed by the Township simultaneously with the issuance of the Bonds (the "Tax Certificate"), the continuing disclosure agreement or certificate to be executed by the Township simultaneously with the issuance of the Bonds (the "Continuing Disclosure Agreement"), the Ordinance, and all other documents in connection with the issuance of the Bonds as may be required to be executed and delivered or received by the Township in order to carry out, give effect to, and consummate the transactions contemplated hereby and by the Official Statement (collectively, including the Bonds, the "Township Documents").
- (d) The Bonds, when issued, delivered and paid for, as provided herein and in the Township Documents, will have been duly authorized and issued and will constitute legal, valid and binding general obligations of the Township entitled to the benefits and security of the Ordinance and will be enforceable in accordance with their terms, except to the extent that the enforcement of remedies contained therein may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally.
- (e) The execution and delivery by the Township of the Township Documents do not, and compliance with the provisions thereof will not, conflict with or constitute on the part of the Township a breach of or a default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage or lease by which the Township is or may be bound.
- (f) The Township has complied with, and as of the Closing will be in compliance with, the Act in all material respects.
- (g) As of the time of Closing, the Township Documents will have been duly executed and delivered by the Township and will constitute legal, valid, and binding obligations of the Township (except as enforcement may be limited by bankruptcy or similar laws, to general principles of equity and to the exercise of judicial discretion), and the Official Statement will have been duly executed and delivered by the Township.
- (h) All approvals and consents of any governmental authority, board, agency or commission including without limitation the Pennsylvania Department of Community

and Economic Development (the "Department"), to the extent required as a condition precedent to the issuance of the Bonds or performance by the Township of its obligations under the Act or the Ordinance, will have been obtained prior to the Closing.

- (i) The Township has disclosed to the Underwriter as of the date hereof, , and as of the Closing Date will have disclosed to the Underwriter and in the Preliminary Official Statement and the Official Statement, all material information about the Township and the application of the proceeds of the Bonds.
- (j) The Township as of the date hereof is not, and upon issuance and delivery of the Bonds will not be, in breach of or in default under any agreement or other instrument to which the Township is a party or by or to which it or its revenues, properties, assets or operations are bound or subject, except breaches or defaults that are not material to the legal or financial standing of the Township or the transactions contemplated hereby and by the Ordinance, the Official Statement and the Bonds; and as of the date hereof no event has occurred and is continuing and upon issuance and delivery of the Bonds no event will have occurred and be continuing, that, with the passage of time or the giving of notice, or both, constitutes or will constitute any such breach or default.
- (k) If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended) at all times subsequent thereto including the Closing, the Official Statement as so supplemented or amended will be true and correct in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.
- (l) Except as specifically set forth in any Preliminary Official Statement, as of its date, and, except as specifically set forth in the Official Statement, as of its date and as of the time of Closing, no action, suit, proceeding or investigation, in equity or at law, before or by any court or governmental agency or body, is or will be pending or, to the best knowledge of the Township, threatened (i) that reasonably might result in material liability on the part of the Township or (ii) wherein an adverse decision, ruling or finding might adversely affect (A) the transactions contemplated by this Proposal, the Addendum, the Ordinance or, as applicable, the Official Statement, (B) the validity or enforceability of any agreement or instrument to which the Township is a party and which is used or is contemplated for use in the consummation of the transactions contemplated hereby and by the Ordinance, the Official Statement, as applicable, and the Bonds or (C) the issuance of the Bonds.
- (m) Since December 31, 2023, or other such date provided for in the Addendum, no material adverse change has occurred in the financial position of the Township or in its results of operations, except as may be set forth in the Official Statement, nor has the

Township, since such date, incurred any material liabilities other than in the ordinary course of business or as may be set forth or contemplated in the Official Statement.

- (n) The Township will not take or omit to take any action within its control which in any way will cause or result in the proceeds of the sale of the Bonds being applied in a manner other than as provided in the Ordinance or as will be described in the Official Statement.
- (o) The Township will not take or omit to take any action within its control, which action or omission might in any way cause the interest on the Bonds to be includable in gross income of the holders thereof for federal income tax purposes.
- (p) Except as disclosed in the Preliminary Official Statement and as to be disclosed in the final Official Statement, the Township has not failed during the previous five (5) years to comply in all material respects with any previous undertakings in a written continuing disclosure undertaking under Rule 15c2-12.

5. Closing

- (a) At approximately 10:00 a.m., prevailing Eastern Time, on such date following the execution of the Addendum as shall have been mutually agreed upon by the Township and the Underwriter in, or in accordance with, the Addendum (the "Closing Date"), the Township will, subject to the terms and conditions hereof, cause the Bonds to be delivered to the Underwriter as further set forth in subparagraph (b) below, together with the other documents hereinafter mentioned, and the Underwriter will, subject to the terms and conditions hereof, accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof in federal funds, or in other immediately available funds, by wire transfer to the paying agent bank as set forth in the Addendum (the "Paying Agent") for the account of the Township (payment for the Bonds and the mutual delivery of the Bonds and the other documents, certificates and opinions required by this Proposal to be made on the Closing Date is herein referred to as the "Closing").
- (b) Delivery of the Bonds shall be made to the Underwriter through the book-entry system of DTC, New York, New York. The Bonds shall be issued and delivered to DTC or its agent in fully registered form, without coupons, and shall bear assigned CUSIP numbers. One Bond (or such number of Bonds as may then be required by DTC in accordance with its operational guidelines and procedures) shall be issued for each maturity of the Bonds and shall be registered in the name of CEDE & CO. or such other nominee of DTC as DTC shall require. Upon the Underwriter's prior written request, the Bonds shall be made available for inspection by the Underwriter at least one business day before the Closing Date. Nothing in this subsection (b) shall prohibit the Township or the Underwriter from using some other method for delivery of the Bonds, including DTC's "FAST" System.

- (c) Delivery of all other documents required to be delivered to the Underwriter as of the Closing Date shall be made at the offices of Bond Counsel (as defined herein) or at such other place as shall have been mutually agreed upon by the Township and the Underwriter.

6. Closing Conditions

The Underwriter has entered into this Proposal in reliance upon the representations, warranties and agreements of the Township contained herein, and will be in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Township of all its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Proposal to purchase, to accept delivery of, and to pay for the Bonds shall be conditioned upon the performance by the Township of all its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

- (a) The representations and warranties of the Township contained herein shall be true and correct on the date hereof and on and as of the Closing Date, as if made on the Closing Date.
- (b) At the time of the Closing, this Proposal, the accepted Addendum, and the Ordinance shall be in full force and effect and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriter and the Township.
- (c) At the time of the Closing, all official action of the Township relating to this Proposal, the Bonds and the Ordinance shall be in full force and effect and shall not have been amended, modified or supplemented; and the Underwriter shall have received, in appropriate form, evidence thereof.
- (d) The issuance of the Bonds and the incurring of the related nonelectoral indebtedness by the Township shall have been approved by the Department in accordance with the Act, and the Underwriter shall be provided with evidence of such approval.
- (e) The Township shall designate the Bonds as "qualified tax-exempt obligations" as described in Section 265(b)(3) of the Code; and Bond Counsel shall provide in its legal opinion language to the effect that the Bonds are "qualified tax-exempt obligations" as described in Section 265(b)(3) of the Code.
- (f) At or prior to the Closing, the Underwriter shall have received copies of each of the following documents:

- (i) The Preliminary Official Statement and Official Statement, and each supplement or amendment, if any, thereto, executed on behalf of the Township;
- (ii) The Ordinance, certified by an appropriate officer of the Township as having been duly enacted by the Board of Supervisors of the Township and as being in full force and effect at the time of the Closing, with only such supplements or amendments as may have been agreed to by the Underwriter;
- (iii) A certificate, dated the Closing Date, of an appropriate officer of the Township, in form and substance reasonably satisfactory to the Underwriter and Bond Counsel stating, among other things, that the information contained in the Preliminary Official Statement as of its date and the Official Statement as of its date and as of the Closing Date is true and correct in all material respects, and the Preliminary Official Statement as of its date and the Official Statement as of its date did not, and as of the Closing Date does not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading;
- (iv) An opinion, dated the Closing Date, of the Law Offices of Kaplin Stewart, Blue Bell, Pennsylvania, Solicitor to the Township (or, if applicable, any successor solicitor), addressed to the Township, Bond Counsel, and the Underwriter, in form and substance reasonably satisfactory to the Underwriter, stating, among other things, that, (i) this Proposal and the Addendum have been duly authorized, executed and delivered by the Township and, assuming the due authorization, execution and delivery of this Proposal and Addendum by the other parties thereto, constitutes a valid, legal and binding agreements of the Township enforceable in accordance with their terms; (ii) the Preliminary Official Statement and the Official Statement have been duly authorized and delivered by the Township; (iii) to the best of their knowledge, the information contained in the Preliminary Official Statement as of its date and the Official Statement as of its date and as of the Closing Date is true and correct in all material respects and the Preliminary Official Statement as of its date and the Official Statement as of its date did not, and as of the Closing Date does not, contain any untrue statement of a material fact, or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading, provided that no opinion is expressed as to the statistical and financial data, "TAX MATTERS", the information therein related to DTC, or continuing disclosure representations of the Township contained in the Preliminary Official Statement and the Official Statement;
- (v) An opinion, dated the Closing Date, of Obermayer Rebmann Maxwell & Hippel LLP, Philadelphia, Pennsylvania, ("Bond Counsel"), as bond counsel, in form and substance reasonably satisfactory to the Underwriter, *inter alia*,

stating that under federal tax law, interest on the Bonds is not includible in gross income of the holders thereof for federal income tax purposes (a form of which shall be included as an appendix to the Official Statement);

- (vi) A supplemental opinion of Bond Counsel dated the Closing Date, addressed to the Underwriter, to the effect that: (i) the statements contained in the Preliminary Official Statement and the Official Statement under the captions "INTRODUCTION," "PURPOSE OF THE ISSUE," "THE BONDS," "SECURITY," "REDEMPTION OF BONDS," and "TAX MATTERS," in so far as such statements summarize certain provisions of the Bonds and the Ordinance, accurately summarize the provisions purported to be summarized therein in all material respects; (ii) the statements in the Preliminary Official Statement and the Official Statement under the heading "TAX MATTERS" and the statements related thereto on the cover page of the Preliminary Official Statement and the Official Statement accurately reflect our opinion with respect to the matters discussed therein; and (iii) the Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Ordinance is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (iv) the continuing disclosure undertaking of the Township with respect to the bonds satisfies the requirements of Rule 15c2-12;
- (vii) Written evidence assigning the Bonds an underlying rating satisfactory to the Underwriter;
- (viii) A copy of a Bond Insurance Policy, if applicable, as specified in the Addendum, together with written evidence of receipt of the insured rating on the Bonds as specified in the Addendum;
- (ix) If requested by the Underwriter, an opinion dated the Closing Date addressed to the Township, Bond Counsel and the Underwriter from counsel to the Insurer, if applicable, in form and substance reasonably satisfactory to the Underwriter and Bond Counsel;
- (x) If a Bond Insurance Policy is utilized, a certificate of an authorized officer of the Insurer in form and substance reasonably satisfactory to the Underwriter and Bond Counsel;
- (xi) A certificate or certificates of the Paying Agent with respect to the incumbency and signatures of the officers of the Paying Agent authenticating the Bonds and executing any agreements relating to the Bonds;
- (xii) A copy of an accepted Letter of Representations or Blanket Letter of Representations, as may be appropriate, from the Township to The Depository Trust Company with respect to the applicability of the book-entry-only system to the Bonds;

- (xiii) The Continuing Disclosure Agreement or Certificate in form and substance reasonably satisfactory to Bond Counsel and the Underwriter;
- (xiv) Written evidence satisfactory to the Underwriter that the Department has approved the issuance of the Bonds and the Township's incurrence of the related nonelectoral indebtedness in an amount not less than the aggregate principal amount of the Bonds in accordance with the Act, together with copies of the related proceedings filed by the Township with said Department under the Act;
- (xv) A copy of the fully executed Addendum; and
- (xvi) Such additional bond documents, and such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the Township's representations and warranties contained herein and of the statements and information contained in the Official Statement, and the due performance or satisfaction by the Township on or prior to the Closing Date of all the respective agreements then to be performed and conditions then to be satisfied by the Township.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Proposal shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance reasonably satisfactory to the Underwriter.

7. Termination

If the Township shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this Proposal and the accepted Addendum, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Proposal or the accepted Addendum, this Proposal and the accepted Addendum shall terminate and neither the Underwriter nor the Township shall be under any further obligation hereunder, except that the respective obligations of the Township and the Underwriter set forth in Section 9 hereof shall continue in full force and effect.

The Underwriter may terminate this Proposal by notification to the Township if at any time at or prior to the Closing: (i) legislation having an effective date or dates at or prior to the Closing Date shall be enacted by the Congress of the United States or adopted by either House thereof or a decision by a Court of the United States or the United States Tax Court shall be rendered, or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made with respect to federal taxation upon interest received on bonds or notes of the general character of the Bonds or which would have the effect of changing directly or indirectly the federal income tax consequences of interest on bonds of the general character

of the Bonds in the hands of the owners thereof, and which in the reasonable judgment of the Underwriter materially and adversely affects the marketability of the Bonds; or (ii) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or any governmental agency having jurisdiction shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds is in violation of any provisions of the Securities Act of 1933, as amended or other securities laws; or (iii) there shall have occurred any other Change in Law (as defined in Section 16 hereof); or (iv) there shall have occurred (a) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war, (b) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crises, (c) the sovereign debt rating of the United States is downgraded by any major credit rating agency or a payment default occurs on United States Treasury obligations, or (d) a default with respect to the debt obligations of, or the institution of proceedings under any federal bankruptcy laws by or against, any state of the United States or any city, county or other political subdivision located in the United States having a population of over 500,000; the effect of which on the financial markets in the United States being such as, in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market the Bonds or to enforce contracts for the sale of the Bonds; or (v) there shall be in force a general suspension of trading on the New York Stock Exchange or other major exchange, 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 (vi) a general banking moratorium shall have been declared by federal, New York or Pennsylvania authorities having jurisdiction and be in force; or (vii) an adverse event described in Section 3(b)(ii) hereof occurs which requires or has required a supplement or amendment to the Official Statement and which, in the reasonable judgment of the Underwriter, even if the Official Statement were so supplemented, would materially and adversely affect the marketability of the Bonds; or (viii) the Underwriter has not received, at or prior to the delivery of the Bonds, in form and substance reasonably satisfactory to the Underwriter, evidence that the Township (a) has entered into the Continuing Disclosure Certificate, and (b) is in compliance with any existing disclosure agreements.

8. Amendments to the Official Statement

During the period commencing on the date of the Official Statement and ending twenty-five (25) days from the end of the underwriting period (as defined in Rule 15c2-12) the Township shall advise the Underwriter if any event relating to or affecting the Official Statement shall occur as a result of which it may be necessary or appropriate to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to a purchaser or "potential customer" (as defined for purposes of Rule 15c2-12). If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and at all times subsequent thereto up to and including that date that is 25 days from the end of the "underwriting period" (as defined in this Proposal), the Official Statement as supplemented or amended will not contain any untrue statement of a material fact or omit to state any

material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and shall amend or supplement the Official Statement (in form and substance reasonably satisfactory to the Underwriter) so that the Official Statement 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. The expenses of preparing such amendment or supplement shall be borne by the Township. For the purpose of this Section, the Township will furnish to the Underwriter such information with respect to itself as the Underwriter may from time to time reasonably request.

9. Expenses

The Underwriter shall be under no obligation to pay any expenses incident to the performance of the Township's obligations hereunder, including, but not limited to the cost of preparation, printing and delivery of a sufficient number of copies of the Preliminary Official Statement, the Official Statement and copies of any supplement or amendments to the Official Statement, the cost of preparation and printing of the Bonds, the fees and disbursements of Bond Counsel, the fees and disbursements of Solicitor, the fees and disbursements of Underwriter's Counsel (if applicable), the fees and disbursements of the Paying Agent, the cost of preparation and printing of the Official Statement, the cost of assignment of CUSIP, and any engineers, accountants, financial advisors and other experts, consultants or advisers retained by the Township, if any; and the fees, if any, for bond ratings.

10. Blue Sky

The Underwriter shall, in its sole discretion, determine the jurisdictions in which the Bonds shall be offered and sold. The Underwriter shall use its best efforts to qualify the Bonds for offer, sale and delivery under the securities or blue sky laws of each jurisdiction to the extent required. The Township shall cooperate with the Underwriter in its efforts to qualify the Bonds for such offer, sale and delivery under the securities or blue sky laws of such jurisdictions as the Underwriter may require, but shall not be required to pay any related fees or expenses or to consent to service of process in any jurisdiction.

11. Notices

Any notice or other communication to be given to the Township under this Proposal may be given by delivering the same in writing to the Township at 1130 North Bethlehem Pike, Spring House, Pennsylvania 19477 Attention: Township Manager, and any notice or other communication to be given to the Underwriter under this Proposal may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, 20 Ash Street, 3rd Floor, Conshohocken, Pennsylvania 19428 Attention: Public Finance Department.

12. Parties in Interest

This Proposal, including the Addendum, as heretofore specified shall constitute the entire agreement between the Township and the Underwriter and is made solely for the benefit of the Township and the Underwriter (including successors or assigns of any Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

13. Effectiveness

This Proposal shall become effective upon the acceptance hereof by the Township and shall be valid and enforceable at the time of such acceptance.

All of the Township's representations, warranties and agreements contained in this Proposal shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds pursuant to this Proposal and the Addendum; and (iii) any termination of this Bond Proposal and the Addendum.

14. Choice of Law

This Proposal shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

15. Business Day

For purposes of this Proposal, "business day" means any day on which commercial banks in Philadelphia, Pennsylvania, are not required or authorized to be closed, and the New York Stock Exchange is not closed.

16. Change in Law

For purposes of this Proposal, "Change in Law" means any event between the date of this Proposal and the Closing Date which occurs as a result of the passage, promulgation, issuance or rendering of any legislation, regulation, ruling, order, release, court decision or judgment or other action by a governmental body, regulatory agency or court of competent jurisdiction the effect of which is any of the following:

- (a) Bond Counsel is or will be unable to deliver to the Underwriter at Closing an approving opinion of bond counsel with the content required by this Proposal;
- (b) The Township does not have the power to levy an annual ad valorem tax on all taxable property located within the Township for the purpose of paying the principal of and interest on the Bonds;
- (c) The offering or sale of the Bonds is subject to registration under Pennsylvania or Federal securities laws, or the Bonds or any document executed in connection

therewith is subject to registration or qualification under Pennsylvania or Federal securities laws; or

- (d) In the reasonable judgment of the Underwriter, the offering or sale of the Bonds would be or would result in a violation of applicable Pennsylvania or Federal securities laws.

17. Section Headings

Section and paragraph headings have been inserted in this Proposal as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Proposal and will not be used in the interpretation of any provisions of this Proposal.


18. Counterparts

This Proposal may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document. Documents executed, scanned and transmitted electronically and electronic signatures shall be deemed original signatures for all purposes and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures. The Township may approve this Proposal by delivering to the Underwriter by the time and date herein provided a signed counterpart of this Proposal.

[SIGNATURE PAGE FOLLOWS]

Very truly yours,

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED**

By: 
Edward Murray, Managing Director

Duly accepted by appropriate action of the Board of Supervisors of the Township of Lower Gwynedd and agreed to this 12th day of November, 2024.

TOWNSHIP OF LOWER GWYNEDD
Montgomery County, Pennsylvania

By: 
Chairman, Board of Supervisors

ATTEST:

By: 
Secretary

SCHEDULE I
TO
BOND PURCHASE PROPOSAL

Township of Lower Gwynedd
Montgomery County, Pennsylvania
General Obligation Bonds, Series of 2024

Maximum Annual Principal Payment Schedule*

Maximum Aggregate Principal Amount \$6,500,000

<u>Township Fiscal Year</u>	<u>Maximum Annual Interest Rate (%)</u>	<u>Maximum Annual Principal Amount (\$)</u>
2025	5.500	300,000
2026	5.500	225,000
2027	5.500	235,000
2028	5.500	240,000
2029	5.500	250,000
2030	5.500	265,000
2031	5.500	275,000
2032	5.500	290,000
2033	5.500	300,000
2034	5.500	310,000
2035	5.500	320,000
2036	5.500	330,000
2037	5.500	340,000
2038	5.500	360,000
2039	5.500	370,000
2040	5.500	385,000
2041	5.500	400,000
2042	5.500	420,000
2043	5.500	430,000
2044	5.500	455,000

* Includes principal maturities and mandatory sinking fund redemptions.

APPENDIX A

\$ _____ AGGREGATE PRINCIPAL AMOUNT
TOWNSHIP OF LOWER GWYNEDD
(Montgomery County, Pennsylvania)
GENERAL OBLIGATION BONDS, SERIES OF 2024

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated (the “Purchaser”), the purchaser of the above-captioned obligations (the “Bonds”) pursuant to a Bond Purchase Proposal dated November 12, 2024, as amended by an Addendum to Bond Purchase Proposal dated _____, 2024 (collectively, the “Agreement”), between the Purchaser and the Township of Lower Gwynedd, Montgomery County, Pennsylvania (the “Issuer”), hereby certifies to the Issuer and to Obermayer Rebmann Maxwell & Hippel, LLP, (“Bond Counsel”) as set forth below with respect to the sale and issuance of the Bonds.

1. ***Sale of the General Rule Maturities.*** On the Sale Date, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Agreement, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, they would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. No Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) ***Hold-the-Offering-Price Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Purchasers have sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Maturity* means Bonds having the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2024.

(g) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excludable from gross income for federal income tax purposes, the preparation of any Internal Revenue Service Form 8038 (including Forms 8038-G, 8038-GC and 8038-T), and other federal income tax advice that it may provide to the Issuer from time to time relating to the Bonds.

[SIGNATURE PAGE FOLLOWS]

Township of Lower Gwynedd
November 12, 2024
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IN WITNESS WHEREOF, We have executed this Certificate of the Purchaser as duly authorized officers on behalf of the Purchaser on this date, _____, 2024.

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED**

By: _____

Name: Edward Murray
Title: Managing Director

By: _____

Name: Craig Burdulis
Title: Director

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

GENERAL RULE MATURITIES

Maturity Date	Principal Amount	Rate	Yield	Sale Price
	\$	%	%	

HOLD-THE-OFFERING-PRICE MATURITIES

Maturity Date	Principal Amount	Rate	Yield	Sale Price
—	\$	%	%	

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SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

Very truly yours,

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED**


By: _____
Edward Murray, Managing Director

Duly accepted on behalf of the Township and in accordance with the authority granted by the Ordinance duly enacted by the Township Board of Supervisors of the Township of Lower Gwynedd.

TOWNSHIP OF LOWER GWYNEDD
Montgomery County, Pennsylvania

By: 
Chairman, Board of Supervisors

ATTEST:

BY: 
Secretary

CERTIFICATE

I, the undersigned, Secretary of the Board of Supervisors of the Lower Gwynedd Township, Montgomery County, Pennsylvania (the "Township"), certify that: the foregoing is a true and correct copy of an Ordinance that was duly adopted by affirmative vote of a majority of all members of the Board of Supervisors of the Township at a meeting duly held on the 12th day of November, 2024; said Ordinance has been duly recorded in the minute book of the Board of Supervisors of the Township; a notice with respect to the intent to adopt said Ordinance has been published as required by law; said Ordinance was available for inspection by any interested citizen requesting the same in accordance with the requirements of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania and such notice; and said Ordinance has not been amended, altered, modified or repealed as of the date of this Certificate.

I further certify that the Board of Supervisors of the Township met the advance notice requirements of Act No. 175 of the General Assembly of the Commonwealth of Pennsylvania, approved July 19, 1974, as amended, and Act 15 of 2020, approved on April 20, 2020, by posting advance notice of said meeting on the Township's publicly available website, or in a newspaper of general circulation, or both.

I further certify that: the total number of members of the Board of Supervisors of the Township is five (5); the vote of members of the Board of Supervisors upon said Ordinance was called and duly was recorded upon the minutes of said meeting; and members of the Board of Supervisors of the Township voted upon said Ordinance in the following manner:

<u>Name</u>	<u>Vote</u>
Danielle A. Duckett, Chairperson	For
Michael Twersky, Vice Chair	For
Jimmy Chong, Member	For
Janine Martin, Member	For
Tessie McNeely, Member	For

IN WITNESS WHEREOF, I set my hand and affix the official seal of the Township this 12th day of November 2024.

LOWER GWYNEDD TOWNSHIP

(SEAL)

By: 
Name: Mimi Gleason
Title: Township Manager/Secretary