



**Resolution**  
of the  
City of Easton, Pennsylvania

No. -2014

Date: April 23, 2014

Introduced by: Sandra Vulcano

WHEREAS the Easton Historic District Commission at its April 14, 2014 meeting reviewed the plans and specifications of the City of Easton / Randy Galiotto, Spillman Farmer, owner/applicant for 123 S. 3<sup>rd</sup> Street, Easton, Pa. for approval of final building details of a new office building with government center to adjoin approved parking deck at 123 S. 3<sup>rd</sup> Street.

WHEREAS the Commission recommended approval of the Certificate of Appropriateness; and

WHEREAS the report has been submitted to the Council of the City of Easton, Pa., for review and approval of the Certificate of Appropriateness.

NOW THEREFORE BE IT RESOLVED that the Council of the City of Easton, Pa., accepts and approves the Certificate of Appropriateness Report dated March 10, 2014 and hereby authorizes the issuance of a Certificate of Appropriateness commensurate with report of the Commission for 123 S. 3<sup>rd</sup> Street.

This is to certify that the above Resolution was adopted by the City Council on the above date.

Attest: \_\_\_\_\_  
City Clerk

Signed: \_\_\_\_\_  
Mayor

**Resolution**  
of the  
City of Easton, Pennsylvania

No. -2014

Date: April 23, 2014

Introduced by: Sandra Vulcano

WHEREAS the Easton Historic District Commission at its April 14, 2014 meeting reviewed the plans and specifications of the Greater Easton Development Partnership / Anthony Bracala, Friday Architects, owner/applicant for 325 Northampton Street, Easton, Pa. for addition of signage, lighting, awnings, and new doors at 325 Northampton Street.

WHEREAS the Commission recommended approval of the Certificate of Appropriateness; and

WHEREAS the report has been submitted to the Council of the City of Easton, Pa., for review and approval of the Certificate of Appropriateness.

NOW THEREFORE BE IT RESOLVED that the Council of the City of Easton, Pa., accepts and approves the Certificate of Appropriateness Report dated April 14, 2014 and hereby authorizes the issuance of a Certificate of Appropriateness commensurate with report of the Commission for 325 Northampton Street.

This is to certify that the above Resolution was adopted by the City Council on the above date.

Attest: \_\_\_\_\_  
City Clerk

Signed: \_\_\_\_\_  
Mayor

**Resolution**  
of the  
City of Easton, Pennsylvania

No. -2014

Date: April 23, 2014

Introduced by: Sandra Vulcano

WHEREAS the Easton Historic District Commission at its April 14, 2014 meeting reviewed the plans and specifications of the St. John's Evangelical Lutheran Church, owner/applicant for 330 Ferry Street, Easton, Pa. for replacement of windows on the Sunday School section of the church at 330 Ferry Street.

WHEREAS the Commission recommended approval of the Certificate of Appropriateness; and

WHEREAS the report has been submitted to the Council of the City of Easton, Pa., for review and approval of the Certificate of Appropriateness.

NOW THEREFORE BE IT RESOLVED that the Council of the City of Easton, Pa., accepts and approves the Certificate of Appropriateness Report dated April 14, 2014 and hereby authorizes the issuance of a Certificate of Appropriateness commensurate with report of the Commission for 330 Ferry Street.

This is to certify that the above Resolution was adopted by the City Council on the above date.

Attest: \_\_\_\_\_  
City Clerk

Signed: \_\_\_\_\_  
Mayor

**Resolution**  
of the  
City of Easton, Pennsylvania

No.           -2014

Date: April 23, 2014

Introduced by:       Sandra Vulcano

WHEREAS the Easton Historic District Commission at its April 14, 2014 meeting reviewed the plans and specifications of the A. Deon Golfphin applicant for 355 Ferry Street, Easton, Pa. for installation of two vinyl window signs at 355 Ferry Street.

WHEREAS the Commission recommended approval of the Certificate of Appropriateness; and

WHEREAS the report has been submitted to the Council of the City of Easton, Pa., for review and approval of the Certificate of Appropriateness.

NOW THEREFORE BE IT RESOLVED that the Council of the City of Easton, Pa., accepts and approves the Certificate of Appropriateness Report dated April 14, 2014 and hereby authorizes the issuance of a Certificate of Appropriateness commensurate with report of the Commission for 355 Ferry Street.

This is to certify that the above Resolution was adopted by the City Council on the above date.

Attest: \_\_\_\_\_  
                  City Clerk

Signed: \_\_\_\_\_  
                                  Mayor

**Resolution**  
of the  
City of Easton, Pennsylvania

No.

Date: April 23, 2014

Introduced by: Sandra Vulcano

WHEREAS, the City of Easton is an entitlement community under the U.S. Department of Housing and Urban Development administered Community Block Grant Program and also participates in a number of state administered grant programs, including HOME, Economic Development Initiative and the Neighborhood Stabilization Program; and

WHEREAS, the City of Easton released an RFP on March 3, 2014 soliciting services of a firm to provide Community Development Consultancy to provide technical assistance for the purpose of obtaining community development funding and to provide advice and assistance in connection with the implementation of the programs for which funds are obtained for Fiscal Years 2015, 2016 and 2017; and

WHEREAS, two proposals were received; and

WHEREAS, SSM Group, Inc. has the experience and staff needed to perform the duties required.

BE IT RESOLVED that the Council of the City of Easton, Pa. has reviewed and approves a contract with SSM Group, Inc. for fiscal years 2015, 2016 and 2017 to perform Community Consultancy duties as outlined in the RFP and to be billed at the rates submitted in their response to the RFP.

BE IT FURTHER RESOLVED that Council authorizes the Mayor and City Controller to sign said Contract and City Clerk to attest to same.

This is to certify that the above Resolution was adopted by the City Council on the above date.

Attest: \_\_\_\_\_  
City Clerk

Signed: \_\_\_\_\_  
Mayor

File of the  
Council of the City of Easton, Pa.

Ordinance No. \_\_\_\_\_

SESSION 2014

Bill No. 15

=====  
Introduced by: Kenneth Brown - April 23, 2014  
=====

Enacted by Council:  
\_\_\_\_\_

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AN ORDINANCE:

TO AUTHORIZE AND DIRECT THE INCURRING OF NON-ELECTORAL DEBT THROUGH THE ISSUANCE OF A GENERAL OBLIGATION BOND, SERIES OF 2014 (TAXABLE) (THE "BOND") IN THE AGGREGATE PRINCIPAL AMOUNT OF \$662,444.42 OF THE CITY OF EASTON, NORTHAMPTON COUNTY, PENNSYLVANIA (THE "CITY") FOR THE PURPOSE OF PROVIDING FUNDS TO CURRENTLY REFUND THE REMAINING OUTSTANDING AMOUNT OF THE CITY'S TAXABLE GENERAL OBLIGATION NOTE, SERIES OF 2011, AND TO PAY THE COST OF ISSUING THE BOND OR ANY OR ALL OF THE SAME; STATING THE PURPOSE OF THE REFUNDING; DESCRIBING CERTAIN PRIOR PROJECTS AND RATIFYING AND CONFIRMING THE PREVIOUSLY ESTIMATED REALISTIC USEFUL LIVES THEREOF AND STATING THE REMAINING USEFUL LIVES THEREOF; DIRECTING THE PROPER OFFICERS OF THE CITY TO PREPARE, CERTIFY AND FILE THE REQUIRED DEBT STATEMENT AND BORROWING BASE CERTIFICATE; COVENANTING THAT THE CITY SHALL INCLUDE THE AMOUNT OF ANNUAL DEBT SERVICE IN ITS BUDGET FOR EACH FISCAL YEAR; SETTING FORTH THE SUBSTANTIAL FORM OF THE BOND; APPOINTING A SINKING FUND DEPOSITORY; PROVIDING FOR THE EXECUTION, DELIVERY AND AUTHENTICATION OF THE BOND AND THE DISPOSITION OF THE PROCEEDS THEREOF; AWARDED SUCH BOND AT PRIVATE SALE BY NEGOTIATION AND STATING THAT SUCH SALE IS IN THE BEST FINANCIAL INTEREST OF THE CITY;

CREATING A SINKING FUND AND APPROPRIATING ANNUAL AMOUNTS FOR THE PAYMENT OF DEBT SERVICE ON THE BOND; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE CITY TO CERTIFY AND TO FILE WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE CITY TO DO ALL THINGS NECESSARY TO CARRY OUT THE ORDINANCE; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE CITY TO PAY ISSUANCE COSTS; AUTHORIZING INCIDENTAL ACTIONS; RESCINDING INCONSISTENT ORDINANCES; AND STATING THE EFFECTIVE DATE.

WHEREAS, the City of Easton, Northampton County, Pennsylvania (the “City”) is a political subdivision of the Commonwealth of Pennsylvania, is governed by the City Council (the “Governing Body”), and is a "local government unit" within the meaning of the Pennsylvania Local Government Unit Debt Act, 53 Pa. Cons. Stat. § 8001 *et seq.*, as amended (the “Act”); and

WHEREAS, the Governing Body of the City has determined to issue its “General Obligation Bond, Series of 2014 (Taxable)” in the aggregate principal amount of \$662,444.42 (the “Bond”) with the proceeds to be applied for and toward a project, consisting of (i) the current refunding (the “Refunding Project”) of the City’s Taxable General Obligation Note, Series of 2011 (the “2011 Note”) (DCED Approval No. GON-13464, September 1, 2011); and (ii) the payment of the costs of issuance related to the issuance of the Bond ((i) and (ii) collectively, the “Project”), all in accordance with the applicable and appropriate provisions of the Act; and

WHEREAS, the Governing Body of the City, after due deliberation and investigation, and finding that a private negotiated sale is in the best financial interest of the City, intends to award the Bond via a private negotiated sale to Merchants Bank of Bangor, having offices in Easton, Pennsylvania (the “Bank”).

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE CITY COUNCIL OF THE CITY OF EASTON, NORTHAMPTON COUNTY, PENNSYLVANIA, AS FOLLOWS:

**Section 1. Incurrence of Debt; Amount and Purpose of Bond; Estimated Project Completion Date.** The Governing Body of the City hereby authorizes and directs the incurring of non-electoral debt through the issuance of its General Obligation Bond, Series of 2014 (Taxable) of the City, in the maximum aggregate principal amount of Six Hundred Sixty-Two Thousand Four Hundred Forty-Four Dollars and Forty-Two Cents (\$662,444.42) to provide funds for and toward the Project.

The 2011 Note was issued on September 15, 2011 in the original principal amount of \$4,452,000 pursuant to Ordinance No. 5324 (enacted on July 27, 2011) to finance an Intermodal Project. Due to the receipt of certain grants for the Intermodal Project, the entire proceeds of the 2011 Note were not needed for the Intermodal Project; therefore, on July 10, 2013, the Governing Body enacted an Ordinance No. 5420 to amend Ordinance No. 5324 to provide that unspent proceeds of the 2011 Note will be applied to pay the following projects: (a) the purchase of a fire truck at a cost of \$493,352.00 and having a useful life of not less than 10 years, (b) the purchase of land at N. 4<sup>th</sup> Street at a cost of \$144,632.56 and having a useful life of not less than 30 years, and (c) the purchase of parking meters at a cost of \$128,340.00 and having a useful life of not less than 10 years (the "2013 Prior Project"). A portion of the 2011 Note was refunded pursuant to debt issued in 2013 by the City (DCED Approval No. GOB-13110401, November 4, 2013). The remaining outstanding principal amount of the 2011 Note is \$648,444.42, and such remaining amount relates to the 2013 Prior Project. The 2011 Note may be prepaid at any time without penalty by the City. The City, pursuant to authorization contained herein, has elected to prepay in whole the 2011 Note on June 13, 2014 (the "Redemption Date").

The Refunding Project is being undertaken by the City for the purpose of replacing a note with a bond, in compliance with Section 8241(b)(5) of the Act.

The City hereby reserves the right to undertake components of the Project in such order and at such time or times as it shall determine and to allocate the proceeds of the Bond and other available moneys to the final costs of the Project in such amounts and order of priority as it shall determine; but the proceeds of the Bond shall be used solely to pay the "costs," as defined in the Act, of the Project described herein or, upon appropriate amendment hereto, to pay the costs of other projects for which the City is authorized to incur indebtedness.

The estimated completion date of the Project is the Redemption Date.

**Section 2. Realistic Estimated Useful Life.** As described in Ordinance No. 5420 enacted on July 10, 2013, the 2011 Note proceeds were applied to the 2013 Prior Project, including: (a) the purchase of a fire truck at a cost of \$493,352.00 and having a useful life of not less than 10 years, (b) the purchase of land at N. 4<sup>th</sup> Street at a cost of \$144,632.56 and having a useful life of not less than 30 years, and (c) the purchase of parking meters at a cost of \$128,340.00 and having a useful life of not less than 10 years. The realistic estimated useful life of the 2013 Prior Project was determined in Ordinance No. 5420. Such determination is hereby ratified and confirmed and the principal amount of the Bond equal to the cost of the 2013 Prior Project has been scheduled to mature prior to the unexpired useful life thereof.

**Section 3. Debt Statement and Borrowing Base Certificate.** The Mayor and City Clerk of this Governing Body or the Vice Mayor or Assistant City Clerk, in the absence of the Mayor or City Clerk, respectively, or any duly appointed successors, as the case may be, are hereby authorized and directed to prepare and certify a debt statement required by Section 8110 of the Act and a Borrowing Base Certificate.

**Section 4. Covenant to Pay Bond.** It is covenanted with the holder of the Bond that the City shall (i) include the amount of the debt service for the Bond for each fiscal year in which the sums are payable in its budget for that year; (ii) appropriate those amounts from its

general revenues for the payment of the debt service; and (iii) duly and punctually pay, or cause to be paid, from its sinking fund or any other of its revenues or funds the principal of, and the interest on, the Bond at the dates and places and in the manner stated in the Bond according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the City pledges its full faith, credit and taxing power. The covenant contained in this Section 4 shall be specifically enforceable.

**Section 5. Form of Bond; Description of Bond.** The Bond is substantially in the form set forth in Exhibit A hereto. The Bond shall be in registered form, without coupon, and shall be numbered in such manner as may be satisfactory to the City and the Bank. So long as the Bond is held by the Bank and its participating bank or banks, if any, the Bond shall not require numbering as recommended by the Committee on Uniform Security Identification Procedures (“CUSIP”).

The Bond shall be issued in the maximum aggregate principal amount of \$662,444.42, shall be dated the date of its issuance, and shall bear interest from the date of the Bond on the unpaid balance of principal, payable semiannually on June 15 and December 15 of each year, commencing December 15, 2014, and at maturity or earlier payment, at the annual interest rate of 3.65% from the date of its issuance through and including June 15, 2023.

The Bond shall be issued in certificated form and shall be issued either in the form of a single certificate for the entire principal amount of the Bond with one maturity date and annual principal payments or in the form of multiple certificates, each with its own maturity date and principal amount with the cumulative principal amount thereof equal to the principal amount of the Bond. If the Bond is issued in multiple certificates then CUSIP numbers shall be assigned to the Bond. If the Bond is issued in the form of a single certificate, the references thereto shall be “General Obligation Bond, Series of 2014 (Taxable)” and “Bond.”

The Bond shall bear interest, until maturity or prior prepayment, at the rate per annum, and shall mature in the amounts and in certain years, all as set forth as Exhibit B attached hereto and made a part hereof.

The interest rate referred to in the Bond shall be computed on the basis of a year of 360 days, comprised of twelve (12) thirty (30) day months.

If the date for payment of the principal of, or interest on, the Bond is not a business day, then the date of such payment shall be the next succeeding day which is a business day. Payment on such subsequent business day shall have the same force and effect as if made on the nominal date of payment. A business day shall be any day in which the Bank is not authorized by law or under lawful authority to be closed.

The City shall have the right at its option to prepay the Bond, as a whole or in part at any time, without premium or penalty, provided that any prepayment in part shall be applied against those principal installments as designated by the City in writing at the time of such prepayment, or if no such designation is made, to principal installments in the inverse order of their maturities. The principal of and interest on the Bond shall be payable in lawful money of the United States of America at the offices of the Bank.

**Section 6. Execution, Delivery and Authentication of Bond; Disposition of Proceeds.** The Bond shall be executed by the manual or facsimile signature of the Mayor or Vice Mayor and shall have the corporate seal of the City or a facsimile thereof impressed thereon, duly attested by the manual or facsimile signature of the City Clerk or Assistant City Clerk (or any City Clerk appointed for such purpose) of the Governing Body and such officers are hereby authorized and directed to execute the Bond in such manner. In case any official of the City whose manual or facsimile signature shall appear on the Bond shall cease to be such official before the authentication of the Bond such signature or the facsimile signature thereof shall nevertheless be valid and sufficient for all purposes the same as if such official had remained in office until authentication; and any Bond may be signed on behalf of the City, even though at the date of authentication of such Bond such person was not an official. The Mayor or Vice Mayor is authorized and directed to deliver, or cause to be delivered, the Bond to the purchaser thereof against the full balance of the purchase price therefore. On the date of issuance and delivery of the Bond, the proceeds of the Bond shall be disbursed, transferred or deposited by the Bank as directed in a closing receipt duly executed and delivered by an authorized officer of the City.

**Section 7. Manner of Sale; Award of Bond.** The Governing Body of the City after due deliberation and investigation has found that a private sale by negotiation is in the best financial interest of the City and based upon such finding the Governing Body of the City hereby awards the Bond, at a private negotiated sale, to the Bank, upon the terms set forth in its proposal dated as of \_\_\_\_\_, 2014 (the "Bank Commitment"), a copy of which is attached hereto as Exhibit C and made a part hereof. As set forth in such Bank Commitment, the purchase price of the Bond is \$662,444.42. Such details are hereby approved.

**Section 8. Appointment of Sinking Fund Depository; Sinking Fund; Appropriation of Annual Amounts for Payment of Debt Service.** The proper officers of the City are hereby authorized and directed to contract with the Bank for its services as sinking fund depository, paying agent and registrar with respect to the Bond and such Bank is hereby appointed to act in such capacities with respect to the Bond. There is hereby established a separate sinking fund for the City designated as "Sinking Fund – City of Easton – Series of 2014 Bond (Taxable)" (the "Bond Sinking Fund"). On or before December 15, 2014 and on or before December June 15 and December 15 of each calendar year thereafter during the term of the Bond, the City shall transfer to the Bank, the amount set forth for such date on Exhibit B attached hereto and made a part hereof. The Bank as sinking fund depository shall, as and when said payments are due, without further action by the City, withdraw available monies in the Bond Sinking Fund and apply said monies to the payment of the principal of and interest on the Bond.

The amounts set forth in Exhibit B attached hereto and made a part hereof shall be pledged in each of the fiscal years shown in Exhibit B to pay the debt service on the Bond, and such amounts are annually hereby appropriated to the appropriate Bond Sinking Fund for the payment thereof.

**Section 9. Debt Proceedings.** The City Clerk or Assistant City Clerk (or any acting City Clerk appointed for such purpose) of the Governing Body is hereby authorized and directed to certify to and file with the Pennsylvania Department of Community and Economic Development, in accordance with the Act, a complete and accurate copy of the proceedings taken

in connection with the increase of debt authorized hereunder, including the debt statement and borrowing base certificate referred to hereinabove, and any certificate excluding such debt as subsidized debt of the City and to pay the filing fees necessary in connection therewith.

**Section 10. Bond Register, Registrations and Transfer.** The City shall cause to be kept at the aforementioned office of the Bank, as paying agent, a register (the “Bond Register”) in which, subject to such reasonable regulations as it may prescribe, the City shall provide for the registration of the Bond and the registration of transfers and exchanges of the Bond. No transfer or exchange of the Bond shall be valid unless made at such office and registered in the Bond Register. So long as the Bond is evidenced by a single certificate, the Bond Register shall be attached to the certificate as part of the Bond.

In the event the Bond has been issued in multiple certificates, and the Bond shall be exchangeable for another Bond or other Bonds, in any authorized denomination, in an aggregate principal amount equal to the principal amount of the Bond presented for exchange. Upon surrender of any Bond for exchange at the aforementioned office of the paying agent, the City shall execute and the paying agent shall authenticate and deliver in exchange therefore the Bond or Bonds which the owner making the exchange shall be entitled to receive. Upon surrender of a Bond at the aforementioned office of the paying agent for registration of transfer, the City shall execute and the paying agent shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of any authorized denomination in the same aggregate principal amount as the Bond so surrendered.

Any Bond issued upon any registration of transfer or exchange shall be valid obligations of the City, evidencing the same debt and entitled to the same benefits under this Ordinance as the Bond surrendered for such registration of transfer or exchange.

Each Bond presented or surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer, in form and with guaranty of signature satisfactory to the City and the Bond Register, duly executed by the registered owner thereof or his duly authorized agent or legal representative.

No service charge shall be made for any transfer or exchange of any Bond, but the City may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of any Bond.

The City shall not be required to: (a) issue, or register the transfer or exchange of, any Bond during a period of fifteen (15) business days before any payment of principal or interest under any Bond or any date of selection for prepayment of any Bond, if applicable; or (b) register the transfer or exchange of any Bond after it has been selected for prepayment, in whole or in part.

**Section 11. Current Refunding of the 2011 Note.** Subject only to completion of delivery of, and settlement for, the Bond, the City hereby authorizes and directs the payment from the proceeds of the Bonds of the amount which will be sufficient to effect the current refunding and redemption of the 2011 Note on the Redemption Date. Subject only to completion of delivery of, and settlement for, the Bond, the City hereby calls for redemption and payment on

the Redemption Date the outstanding 2011 Note. If unexpected events occur, the Mayor or Vice Mayor may approve a different date for the Redemption Date.

**Section 12. Investments.** Any moneys in the Sinking Fund and in any other account created hereunder not required for prompt expenditure may, at the direction of the City, be invested in obligations which are direct obligations of, or are guaranteed as to principal and interest by, the United States of America or may be deposited at interest in time accounts or certificates of deposit or other interest bearing accounts of any bank or bank and trust company, savings and loan association or building and loan association. To the extent that such deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds in accordance with the Act. Any such investments or deposits made from funds in the Sinking Fund shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such moneys are required to be paid to the registered owner of the Bond.

**Section 13. Incidental Actions.** The Mayor and Vice Mayor, the City Controller, the Director of Finance and the City Clerk (or any Acting City Clerk or Assistant City Clerk appointed for such purpose), or any duly appointed successors, are hereby authorized, directed and empowered on behalf of the City to execute any and all agreements, instruments and documents and to do or cause to be done any and all acts and things necessary or proper for the carrying out of the provisions of this Ordinance, and the issuance and delivery of the Bond.

**Section 14. Payment of Issuance Costs.** The Mayor and Vice Mayor, the City Controller, the Director of Finance and the City Clerk (or any Acting City Clerk or Assistant City Clerk appointed for such purpose), or any duly appointed successors, are hereby authorized and directed to pay the costs of issuing the Bond at the time of delivery of the Bond to the Bank, such costs being estimated in the presentation to this meeting by VALCO Capital, the City's financial advisor.

**Section 15. Appointment of Bond Counsel.** The City hereby appoints McNeese Wallace & Nurick LLC, Lancaster, Pennsylvania, as Bond Counsel for the Bond.

**Section 16. Rescinding Inconsistent Ordinances.** All ordinances or parts of ordinances inconsistent herewith be and the same hereby are rescinded, cancelled and annulled.

**Section 17. Severability.** In the case any one or more of the provisions of this Ordinance shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Ordinance and this Ordinance shall be construed and enforced as if such illegal or invalid provisions had not been contained herein.

**Section 18. Effective Date.** This Ordinance shall become effective on the earliest date permitted by the Act.

**ENACTED** this \_\_\_ day of \_\_\_\_\_, 2014.

CITY OF EASTON

Attest: \_\_\_\_\_  
City Clerk

BY: \_\_\_\_\_  
Mayor

[SEAL]

**EXHIBIT A**

**FORM OF BOND**

CITY OF EASTON  
NORTHAMPTON COUNTY, PENNSYLVANIA

GENERAL OBLIGATION BOND, SERIES OF 2014 (TAXABLE)

<u>Principal Amount</u>	<u>Date of Issuance</u>	<u>Maturity Date</u>
\$662,444.42	June 13, 2014	June 15, 2023

FOR VALUE RECEIVED, CITY OF EASTON, NORTHAMPTON COUNTY, PENNSYLVANIA (the “City”), existing under the laws of the Commonwealth of Pennsylvania, for value received, hereby acknowledges itself indebted and promises to pay to Merchants Bank of Bangor (the “Bank”), with a business office in Northampton, Pennsylvania, or registered assigns, the principal sum of SIX HUNDRED SIXTY-TWO THOUSAND FOUR HUNDRED FORTY-FOUR DOLLARS AND FORTY-TWO CENTS (\$662,444.42), on the dates and in the maximum amounts set forth on Schedule A attached hereto, in such coin or currency of the United States of America which, at the respective times of payment, is legal tender for payment of public and private debts.

The Bond shall bear interest from the Date of Issuance of the Bond on the unpaid balance of principal, payable semiannually on June 15 and December 15 of each year, commencing December 15, 2014, and at maturity or earlier payment, at the fixed interest rate of 3.65% from the Date of Issuance through and including June 15, 2023.

The interest rate referred to in this Bond shall be computed on the basis of a year of 360 days, comprised of twelve (12) thirty (30) day months.

The principal of and interest on this Bond shall be paid in any coin or currency of the United States of America which, at the time of payment, shall be legal tender for payment of public and private debts, at the office of the Bank in Easton, Pennsylvania, as paying agent (which term shall include any duly appointed alternate or successor paying agent). If the Bank shall be the registered owner of this Bond, payment of any part of the principal of and interest on this Bond by or in behalf of the City shall be valid and effective to satisfy and discharge fully the obligations of the City or its paying agent, with respect to such payments of principal and interest. If the registered owner of this Bond shall not be the Bank, payment of any part of the principal of and interest on this Bond shall be made only upon surrender hereof by the registered owner at the principal office of the paying agent (or the designated office of any successor paying agent). Final payment of principal and interest appertaining hereto shall be made only upon complete surrender hereof to the paying agent.

If the date for payment of the principal of, or interest on, the Bond is not a business day, then the date of such payment shall be the next succeeding day which is a business

day. Payment on such subsequent business day shall have the same force and effect as if made on the nominal date of payment. A business day shall be any day in which the Bank is not authorized by law or under lawful authority to be closed.

The City shall have the right at its option to prepay the Bond, as a whole or in part at any time, without premium or penalty, provided that any prepayment in part shall be applied against those principal installments as designated by the City in writing at the time of such prepayment, or if no such designation is made, to principal installments in the inverse order of their maturities.

On or before December 15, 2014 and on or before June 15 and December 15 of each calendar year thereafter during the term of this Bond, the City shall transfer to the Bank, as sinking fund depository and paying agent, for deposit in the Bond Sinking Fund, the amount set forth for such date on Schedule A attached hereto and made a part hereof.

This Bond, immediately upon execution and delivery hereof by the City, shall be registered, both as to principal and interest, in the name of the owner, on records of the City to be kept for that purpose by the Bank, as paying agent, such registration to be noted hereon by a duly authorized representative of the paying agent. After such registration, no transfer hereof shall be valid unless made by the registered owner hereof in person, or by a duly authorized attorney, and similarly noted upon said records and hereon. Rights of any registered owner hereof, subsequent to the initial registered owner hereof, shall not exceed rights of the predecessor registered owner hereof.

This Bond is issued in accordance with the provisions of the Pennsylvania Local Government Unit Debt Act, 53 Pa. Cons. Stat. § 8001 *et seq.*, as amended (the "Act") and by virtue of an ordinance of the City duly enacted (the "Ordinance"), and the sworn statement of the duly authorized officers of the City as appears on record in the office of the Pennsylvania Department of Community and Economic Development, Harrisburg, Pennsylvania. It is hereby certified and recited that all conditions, acts, and things required to exist, to have been performed and to have happened precedent to and in connection with the issuance of this Bond do exist, have been performed and have happened and that this Bond is within every debt and other limitation prescribed by law.

It is covenanted with the holder of this Bond that the City shall (i) include the amount of the debt service for each fiscal year in which the sums are payable in its budget for that year, (ii) appropriate those amounts from its general revenues for the payment of debt service, and (iii) duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds the principal hereof and the interest on this Bond at the dates and places and in the manner stated in this Bond, according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the City pledges its full faith, credit and taxing power. As provided in the Act, this covenant shall be specifically enforceable; subject, however, as to the enforceability of remedies to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally.

In the event that for any reason one or more of the provisions of this Bond or its or their application to any person or circumstance shall be held to be invalid, illegal or

unenforceable in any respect or to any extent, such provisions shall nevertheless remain valid, legal and enforceable in all such other respects and to such extent as may be permissible. In addition, any such invalidity, illegality or unenforceability shall not affect any other provisions of this Bond, but this Bond shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

No recourse shall be had for the payment of the principal of, or interest on, this Bond, or for any claim based hereon or on the Ordinance, against any member, officer or employee, past, present, or future, of the City or of any successor body, either directly or through the City 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 members, officers or employees is released as a condition of and as consideration for the execution and issuance of this Bond.

This Bond may be transferred only in accordance with the provisions of the Ordinance.

IN WITNESS WHEREOF, the City has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor or Vice Mayor and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its City Clerk or Assistant City Clerk, all as of the Date of Issuance.

ATTEST:

CITY OF EASTON

\_\_\_\_\_  
(Assistant) City Clerk

By: \_\_\_\_\_  
(Vice) Mayor

(City Seal)

**EXHIBIT B**  
**AMORTIZATION SCHEDULE OF THE BOND**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total P+I</b>	<b>Fiscal Total</b>
06/13/2014	-	-	-	-	-
12/15/2014	-	-	12,223.94	12,223.94	-
12/31/2014	-	-	-	-	12,223.94
06/15/2015	33,586.28	3.650%	12,089.61	45,675.89	-
12/15/2015	34,199.23	3.650%	11,476.66	45,675.89	-
12/31/2015	-	-	-	-	91,351.78
06/15/2016	34,823.37	3.650%	10,852.53	45,675.90	-
12/15/2016	35,458.89	3.650%	10,217.00	45,675.89	-
12/31/2016	-	-	-	-	91,351.79
06/15/2017	36,106.02	3.650%	9,569.87	45,675.89	-
12/15/2017	36,764.95	3.650%	8,910.94	45,675.89	-
12/31/2017	-	-	-	-	91,351.78
06/15/2018	37,435.91	3.650%	8,239.98	45,675.89	-
12/15/2018	38,119.12	3.650%	7,556.77	45,675.89	-
12/31/2018	-	-	-	-	91,351.78
06/15/2019	38,814.79	3.650%	6,861.10	45,675.89	-
12/15/2019	39,523.16	3.650%	6,152.73	45,675.89	-
12/31/2019	-	-	-	-	91,351.78
06/15/2020	40,244.46	3.650%	5,431.43	45,675.89	-
12/15/2020	40,978.92	3.650%	4,696.97	45,675.89	-
12/31/2020	-	-	-	-	91,351.78
06/15/2021	41,726.79	3.650%	3,949.11	45,675.90	-
12/15/2021	42,488.30	3.650%	3,187.59	45,675.89	-
12/31/2021	-	-	-	-	91,351.79
06/15/2022	43,263.71	3.650%	2,412.18	45,675.89	-
12/15/2022	44,053.27	3.650%	1,622.62	45,675.89	-
12/31/2022	-	-	-	-	91,351.78
06/15/2023	44,857.25	3.650%	818.64	45,675.89	-
12/31/2023	-	-	-	-	45,675.89
<b>Total</b>	<b>\$662,444.42</b>	<b>-</b>	<b>\$126,269.67</b>	<b>\$788,714.09</b>	<b>-</b>

**EXHIBIT C**  
**BANK COMMITMENT**