

**RESOLUTION – 2021**  
**UPPER DARBY SCHOOL DISTRICT**  
**DELAWARE COUNTY, PENNSYLVANIA**

A RESOLUTION AUTHORIZING THE ISSUANCE OF A NOTE IN THE AMOUNT OF UP TO SIX MILLION SIXTY THOUSAND DOLLARS (\$6,060,000); PROVIDING FOR THE DATE, MAXIMUM INTEREST, MAXIMUM MATURITY DATES AND PLACE OF PAYMENT WITH RESPECT TO THE NOTE; SETTING FORTH THE PARAMETERS FOR ACCEPTANCE OF A PROPOSAL AND AUTHORIZING ACCEPTANCE OF A PROPOSAL FOR THE PURCHASE OF THE NOTE; AUTHORIZING THE PROPER OFFICERS TO EXECUTE AND DELIVER THE NOTE; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE PROCEEDINGS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AND SETTING FORTH A FORM OF NOTE.

WHEREAS, the Upper Darby School District, Delaware County, Pennsylvania ("School District" or "Local Government Unit") has heretofore issued its General Obligation Bonds, **Series of 2012** (the "2012 Bonds"); and

WHEREAS, the proceeds of the 2012 Bonds were used for the purposes of providing funds for: (i) the advanced refunding of the School District's outstanding General Obligation Bonds, Series B of 2004 (the "2004B Bonds"); and (ii) paying the costs and expenses related to the issuance of the 2012 Bonds; and

WHEREAS, the proceeds of the 2004B Bonds were used for the purposes of providing funds for: (i) certain capital projects of the School District, including, but not limited to, replacement of roofs to the Drexel Hill Middle School and Westbrook Park Elementary School and window replacement at Drexel Hill Middle School and Westbrook Park Elementary School; and (ii) paying the costs and expenses related to the issuance of the 2004B Bonds; and

WHEREAS School District has heretofore issued its General Obligation Note, **Series of 2014** (the "2014 Note"); and

WHEREAS, the proceeds of the 2014 Note were used for the purposes of providing funds for: (i) the advanced refunding of the School District's General Obligation Bonds, Series of 2005 (the "2005 Bonds"); and (ii) paying the costs and expenses related to the issuance of the 2014 Note; and

WHEREAS, the proceeds of the 2005 Bonds were used for the purposes of providing funds for: (i) the acquisition, construction, renovation and improvement of various buildings of the School District, including but not limited to, the acquisition and replacement of new windows and roofs to the Drexel Hill Middle School and the Westbrook Park Elementary School; (ii) the advance refunding of the School District's General Obligation Bonds, Series of 1999 (the "1999 Bonds"); and (iii) paying the costs and expenses associated with the issuance of the 2005 Bonds; and

WHEREAS, the proceeds of the 1999 Bonds were used for the purposes of providing funds for: (i) additions to Senior High School and systems renovations for and addition to Beverly Hills Middle School, replacement of lighting fixtures in various buildings in the School District and to fund capitalized interest; and (ii) paying the costs and expenses related to the issuance of the 1999 Bonds; and

WHEREAS, the School District has determined to undertake a project consisting of: (i) the current refunding of all of the School District's outstanding 2012 Bonds (the "Refunded 2012 Bonds"); (ii) the current refunding of the School District's outstanding 2014 Note (the "Refunded 2014 Note" and together with the Refunded 2012 Bonds, the "Refunded Obligations"); and (iii) paying the costs and expenses relating to the issuance of the Note (collectively, the "Project"); and

WHEREAS, the School District has determined to finance the Project by incurring indebtedness and issuing its general obligation note in accordance with the Pennsylvania Local Government Unit Debt Act, as codified by the Act of December 19, 1996 (P.L. 1158, No. 177) (the "Act"), the proceeds of which shall be used for the purpose of financing the Project and paying the expenses of issuing the Note (hereinafter defined); and

WHEREAS, the School District has retained PFM Financial Advisors, LLC as financial advisor, and RBC Capital Markets, LLC as loan placement agent, in connection with the issuance of the Note; and

WHEREAS, the School District has received an acceptable proposal (the "Proposal") for the purchase of the Note from Truist Bank ("Purchaser") in the form attached as Schedule "C" hereto, and desires to authorize the acceptance of such Proposal and authorize the issuance of its Note for the purposes set forth herein, upon the terms and conditions, within and subject to the parameters and in the form of Proposal as herein provided; and

WHEREAS, the School District has determined that a private sale by negotiation, rather than public sale, is in the best financial interest of the School District; and

WHEREAS, the School District desires to authorize the issuance of its general obligation note in the aggregate principal amount of up to SIX MILLION SIXTY THOUSAND DOLLARS (\$6,060,000) for the purposes set forth herein, upon the terms and conditions and in the form as herein provided (the "Note"), upon the terms and conditions and within and subject to the parameters hereinafter described, and to accept the Proposal for the purchase of the Note.

NOW, THEREFORE, BE IT RESOLVED, by the Board of School Directors of the School District (the "Board"), that:

SECTION 1. Authorization of Issuance of Note and Approval of Project. The School District hereby approves the Project described in the recitals hereto and authorizes the incurring of indebtedness pursuant to the Act by the issuance of the Note in the principal amount of up to SIX MILLION SIXTY THOUSAND DOLLARS (\$6,060,000), for the purpose of providing funds for and toward the costs of the Project, including the financing of expenses associated therewith. The aggregate principal amount of the Note shall not exceed SIX MILLION SIXTY

THOUSAND DOLLARS (\$6,060,000). Said indebtedness shall be evidenced by the Note, dated and bearing interest from the date of issuance of said Note under the statutory time requirements as set forth in the Act. In accordance with the provisions of the Proposal, the Note shall bear interest at a fixed rate of 0.720% per annum (computed on the basis of a 360 day year comprised of twelve 30-day months). Principal on the Note shall be payable annually and interest on the Note shall be payable semi-annually during the term of the Note. The Note shall mature in installments of principal as shown on the attached Schedule "A". The form of the Note is attached hereto as Schedule "B", subject to modifications to conform to the Proposal, or recommended by the Solicitor or Bond Counsel. The Note shall be subject to prepayment pursuant to the terms set forth in the form of Note and the Proposal. The Note, when issued, will be a general obligation of the School District.

The Project is being undertaken by the School District for the purpose of reducing the debt service that would otherwise be payable on the Refunded Obligations, in compliance with Section 8241(b)(1) of the Act.

SECTION 2. Useful Lives Relating to the Project. The realistic estimated useful lives of the projects financed or refinanced with the proceeds of the Refunded Obligations were determined at the time of issuance. The last maturity of the Note does not extend beyond the useful lives of the capital projects financed with the proceeds of the Refunded Obligations. The realistic estimated aggregate remaining useful life of the capital projects financed or refinanced with the proceeds of the Refunded Obligations is hereby determined to be at least three (3) years.

It is hereby determined that the Note is scheduled to mature in accordance with the limitations set forth in Section 8142 of the Act.

SECTION 3. Non-Electoral Debt. All of the debt to be incurred upon issuance of the School District's Note shall be incurred as non-electoral debt.

SECTION 4. Execution of Debt Statement and Note and Filing of Debt Proceedings. The President and Secretary of the Board or the Vice President or Assistant Secretary, in the absence of the President or Secretary, respectively, or any duly appointed successors, as the case may be, are hereby directed to prepare and certify and to file the debt statement required by Section 8110 of the Act, to execute and deliver the Note evidencing the debt to be incurred to the purchaser thereof, and to prepare and certify all filings required pursuant to Section 8111 of the Act, pertaining to submission to the Pennsylvania Department of Community and Economic Development (the "Department"), of the transcript of the proceedings, which shall include certified copies of this Resolution, proofs of proper publication, the accepted proposal for the purchase of the Note 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 Act or to carry out the intent and purposes of this Resolution. Any actions taking with respect to the foregoing prior to the date of this Resolution are hereby ratified and approved.

SECTION 5. Appointment of Paying Agent and Sinking Fund Depositary. Truist Bank, Philadelphia, PA, is hereby appointed to serve as paying agent, registrar and sinking fund depositary (the "Paying Agent") for the Note and the President and Secretary of the Board, or the

Vice President or Assistant Secretary (or any Acting Secretary or Assistant Secretary appointed for such purpose), or any duly appointed successor, as the case may be, are directed to contract with the Paying Agent to obtain its services in the aforementioned capacities. The School District 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 Note in the manner provided herein and therein so long as Note shall remain outstanding. The Paying Agent is hereby directed to make such registrations, exchanges and transfers without charge to noteholders, except for actual costs, including postage, insurance and any taxes or other governmental charges required to be paid with respect to the same.

SECTION 6. Establishment of Sinking Fund. The School District covenants to establish, and there is hereby established, a sinking fund (the "Sinking Fund") for the payment of the Note with the Paying Agent. The School District Treasurer shall pay the amounts required pursuant to the covenants contained herein into the Sinking Fund, which shall be maintained until such Note is paid in full. Sums sufficient to meet the requirements of the semi-annual interest payments and scheduled maturities shall be deposited into the Sinking Fund not later than the date when interest and/or principal is to become due on the Note. The funds in the Sinking Fund shall be subject to withdrawal by the Paying Agent only to pay the principal and interest on the Note as the same becomes due and payable in accordance with the terms thereof. The School District hereby covenants that such monies, to the extent required, will be applied to such purpose. The principal of and interest on the Note shall be payable in lawful money of the United States of America at the designated corporate trust offices of the Paying Agent.

SECTION 7. Covenant to Pay Note. The School District covenants that, to the fullest extent authorized under law:

- a. The amount of the debt service with respect to the Note payable in each fiscal year shall be included in the School District budget for that year;
- b. The School District 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 its sinking fund or any other of its revenues or funds, the principal of and interest due upon the Note, to the extent of its obligation, on the dates, at the places and in the manner stated in the Note, according to the true intent and meaning thereof; and
- d. For such payment, budgeting and appropriation the School District herewith irrevocably pledges its full faith, credit and taxing power.

The covenant contained in this Section shall be specifically enforceable.

SECTION 8. Sale of Note. In compliance with Section 8161 of the Act, the Board has determined that a private sale by negotiation, rather than public sale, is in the best financial interest of the School District. The Proposal is hereby accepted and the Note is hereby awarded and sold to the Purchaser in accordance with its commitment to purchase the said Note at par; provided the Note are dated the date of delivery thereof to the Purchaser and is in substantially



the form set forth in Schedule "B" to this Resolution with such changes as may be approved by the officers of the School District executing such Note; and further provided that the proceedings have been approved by the Department of Community and Economic Development. A copy of said Proposal shall be attached hereto as Schedule "C" and lodged with the official minutes of this meeting and is hereby incorporated herein by reference.

SECTION 9. Execution, Authentication and Delivery of Note. The officers of the School District are hereby authorized to deliver the Note 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 Act, the Resolution, and the Proposal. The Note, when issued, shall be executed either manually or by facsimile by the President or Vice President of the Board and shall have the corporate seal or facsimile thereof of the School District affixed thereto and be duly attested by the Secretary or Assistant Secretary (or any acting Secretary or Assistant Secretary appointed for such purpose) of the Board. Furthermore, the President or Vice President and Secretary (or any acting Secretary or Assistant Secretary appointed for such purpose) are authorized and directed to deliver the Note, but only after the Department has certified its approval pursuant to Section 8204 of the 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 Note, all in accordance with this Resolution and the Act and/or the Proposal.

SECTION 10. Limitation on Indebtedness. It is declared that the debt to be incurred hereby, together with any other indebtedness of this Local Government Unit, is not in excess of any limitation imposed by the Act upon the incurring of debt by the School District.

SECTION 11. Federal Tax Covenants. The School District hereby covenants with the holders from time to time of the Note 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 Note will, for purposes of 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 Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"). The School District further covenants with the holder from time to time of the Note that it will make no investment or other use of the proceeds of the Note, which, if such investment or use had been reasonably expected on the date of issuance of the Note, would cause the Note 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 Note and shall apply to all amounts which are proceeds of the Note for purposes of said section and regulations. Neither the Treasurer nor any other official or agent of the School District shall make any investment inconsistent with the foregoing covenant. The Treasurer and all other School District officials responsible for investment shall request and follow, if given, the advice or direction of bond counsel for the School District (the "Bond Counsel") as to investments, which may be made in compliance with this covenant. The appropriate officers of the School District are hereby authorized to execute a tax compliance agreement (the "Tax Compliance Agreement") to carry out the foregoing covenants.

The Tax Compliance Agreement shall be substantially in the form acceptable to Note Counsel, with such changes as may be approved by the officer executing the Tax Compliance Agreement, upon the advice of Note Counsel, such approval to be conclusively evidenced by such officer's execution of the Tax Compliance Agreement. If required under the Tax Compliance Agreement, there shall be established a "bond rebate fund," which shall be held and maintained by the School District in accordance with the Tax Compliance Agreement, separate and apart from other funds of the School District. The foregoing tax covenants in this Section 12 may be excused or modified if, and to the extent that, the School District receives an opinion of nationally recognized bond counsel that such absence of compliance will not adversely affect the exemption from federal income taxation of interest on the Note.

SECTION 12. Continuing Disclosure. The School District covenants to provide for the compliance by the School District with continuing disclosure requirements pursuant to Rule 15c2-12(b) promulgated by the Securities and Exchange Commission.

SECTION 13. Qualified Tax-Exempt Obligations. In accordance with the Code, the School District hereby represents and warrants, after due investigation and to the best of its knowledge, that: (i) the Note is not "private activity bonds" within the meaning of Section 141 of the Code, and (ii) the aggregate face amount of "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Code (which includes qualified 501(c)(3) bonds but not any other private activity bonds) issued or to be issued by the School District (and all other issuers which must be aggregated with the School District pursuant to the Code) during the 2021 calendar year (including the Note, but excluding current refunding obligations not required to be taken into account for purposes of that Section of the Code and further excluding those bonds "deemed designated" under the Code), is not reasonably expected to exceed \$10,000,000. To the extent not "deemed designated", the School District hereby designates the Note as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code. The School District hereby authorizes the proper officers of the School District to execute a certificate to that effect at the time of the closing.

SECTION 14. Insurance. If the proposal for the purchase of the Note offering the lowest interest cost to the School District is based on insurance for such Note, the officers of the School District are hereby authorized to purchase a policy of insurance guaranteeing the payment of the principal of and interest on such Note, to pay the premium for such policy from the proceeds of such Note and to execute such documents as may be necessary to effect the issuance of such policy. If applicable, the applicable Note issued under this Resolution may include a statement of the terms of such insurance policy and the Authentication Certificate of the Paying Agent appearing on each Note may include a statement confirming that the original or a copy of the insurance policy is on file with the Paying Agent.

SECTION 15. Refunding of Refunded Obligations. The proper officers of the School District are hereby authorized and directed to contract with each of the respective paying agents for the Refunded Obligations as the true and lawful attorney and agent of the School District to effect the redemption and payment, including payment of interest, of the Refunded Obligations on such date as may be approved by the President or Vice President of the School District with the advice of the School District Solicitor and Bond Counsel. The applicable paying agent, in the name, place and stead of the School District, shall mail, with respect to the Refunded

Obligations, as applicable, a notice of redemption as required by the terms of the Refunded Obligations. The School District hereby agrees to provide for payment of the expenses of such mailings from proceeds of the Note or from moneys otherwise made available by the School District and gives and grants each of the paying agents full authority to do and perform all and every act and thing whatsoever requisite and necessary to effectuate said purposes as the School District might do on its own behalf, and hereby ratifies and confirms all that said agent shall do or cause to be done by virtue thereof.

Subject only to completion of delivery of, and settlement for, the Note, the proceeds of which will be used for the refunding of the Refunded Obligations, the School District hereby calls for redemption and payment of the Refunded Obligations on such dates as may be approved by the President or Vice President of the School District with the advice of the School District Solicitor and Bond Counsel. The President and Vice President and Secretary or Assistant Secretary (or any Acting Secretary or Assistant Secretary appointed for such purpose), or any duly appointed successors, as the case may be, are hereby authorized to execute any agreements or documents deemed appropriate concerning the same, including, but not limited to, a Tax Compliance Agreement and/or Escrow and Pledge Agreements.

SECTION 16. Application of Proceeds. The purchase price of the Note and any accrued interest payable by the Purchaser shall be paid to the Paying Agent on behalf of the School District. In addition, the School District shall deposit with the Paying Agent the security and make such additional deposits of cash from the funds of the School District as shall be necessary to cover all of the issuance costs of the Note. Upon receipt of such funds, the Paying Agent shall deposit the same in a settlement account. From the settlement account, the Paying Agent shall transfer to the paying agent, as applicable, the amounts required to effect the refunding of the Refunded Obligations and to effect the Project as provided in Section 15 hereof and shall make the deposits and disbursements set forth on the Closing Statement executed by the officers of the School District, including payment of the issuance costs on behalf of the School District upon presentation of proper invoices therefor, and shall deposit the remaining proceeds of the Note, if any, in the Sinking Fund or as otherwise directed by the School District.

SECTION 17. Further Actions. The President and Vice President and Secretary or Assistant Secretary (or any Acting Secretary or Assistant Secretary appointed for such purpose), or any duly appointed successors, as the case may be, in the name of and on behalf of the School District 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 Resolution and to comply with the Act.

SECTION 18. Severability. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of the School District that such remainder shall be and shall remain in full force and effect.

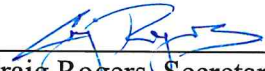
SECTION 19. Repealer. All prior resolutions or parts thereof inconsistent herewith, are hereby repealed.

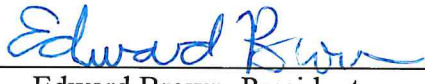
SECTION 20 . Effective Date. This Resolution shall take effect on the earliest date permitted by the Act.

[signature page follows]

ADOPTED by the Board of School Directors of the Upper Darby School District this  
9<sup>th</sup> day of March, 2021.

UPPER DARBY SCHOOL DISTRICT

Attest:   
Craig Rogers, Secretary  
Board of School Directors

BY:   
Edward Brown, President  
Board of School Directors



## SCHEDULE "A"

### NOTE INTEREST RATES & MATURITY SCHEDULE

UPPER DARBY SCHOOL DISTRICT  
General Obligation Note, Series of 2021 (Refunding 2012 and 2014)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2021	2,030,000	0.720%	24,118.80	2,054,118.80	
05/01/2022			14,508.00	14,508.00	
06/30/2022					2,068,626.80
11/01/2022	2,100,000	0.720%	14,508.00	2,114,508.00	
05/01/2023			6,948.00	6,948.00	
06/30/2023					2,121,456.00
11/01/2023	1,930,000	0.720%	6,948.00	1,936,948.00	
06/30/2024					1,936,948.00
	6,060,000		67,030.80	6,127,030.80	6,127,030.80

**SCHEDULE "B"**

**FORM OF NOTE**

**UNITED STATES OF AMERICA  
COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF DELAWARE  
UPPER DARBY SCHOOL DISTRICT  
GENERAL OBLIGATION NOTE  
SERIES OF 2021**

\$ \_\_\_\_\_

Dated:

Issue Date: \_\_\_\_

The UPPER DARBY SCHOOL DISTRICT, COUNTY OF DELAWARE, COMMONWEALTH OF PENNSYLVANIA (the "School District"), a school district existing under the laws of the Commonwealth of Pennsylvania, for value received, hereby acknowledges itself indebted and promises to pay to \_\_\_\_\_ (the "Purchaser"), or registered assigns, the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) or such lesser particular sum as shall represent the unpaid balance of such principal sum, on the terms and conditions set forth below.

Interest shall be due and payable on this Note at a fixed rate of \_\_\_\_\_% per annum, payable on the unpaid balance of this Note. Interest shall be calculated based upon a 30/360-day basis. If interest payable on this Note is determined at any point during the term of the loan to not be "Bank Qualified Tax-Exempt" or it is determined that the Note served as an arbitrage note under Federal Law, this Note will reset to its taxable equivalent rate, and the School District will pay to the Purchaser the difference between the amount of interest which the Purchaser should have received at the "Taxable Rate" and the actual amount of interest paid.

Interest on this Note shall be payable semi-annually during the term of the Note on \_\_\_\_\_ and \_\_\_\_\_ of each year, commencing \_\_\_\_\_, 20\_\_\_\_. Principal on this Note shall be payable annually during the term of the Note on \_\_\_\_\_ of each year, commencing \_\_\_\_\_, 20\_\_\_\_, in the amounts set forth on Exhibit "A" attached hereto. On \_\_\_\_\_, 20\_\_\_\_, all principal, accrued, unpaid interest and other amounts evidenced by this Note shall be due and payable in full, without notice or demand.

If the due date for payment of interest on or principal of this Note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or executive order to remain closed, then payment of such interest, principal or redemption price need not be made on such date, but may be made on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day upon which banking institutions in the Commonwealth are authorized by law or executive order to remain closed with the same force

and effect as if made on the due date for payment of principal or interest and no interest shall accrue thereon for any period after such due date.

The School District has the option to prepay any installment of principal or any payment of interest at any time prior to the respective payment dates thereof, without notice or penalty.

Both principal and interest are payable in such coin or currency as on the respective date of payment thereof and shall be legal tender for the payment of public and private debts, at the office of \_\_\_\_\_, the paying agent, located in \_\_\_\_\_.

This General Obligation Note, Series of 2021 (the "Note") is issued under and pursuant to provisions of the Resolution adopted by the Board of School Directors of the School District on \_\_\_\_\_, 2021 (the "Resolution"), which shall be a contract between the School District and the registered owner, from time to time, of this Note. This Note is authorized to be issued under the Local Government Unit Debt Act of the Commonwealth, as reenacted and amended (the "Act"), without the assent of electors, and pursuant to the Resolution. This Note shall be issued in the principal amount of \$ \_\_\_\_\_ and is subject to, and is entitled to the benefit of, the provisions of the Resolution. The terms and provisions of the Resolution are hereby incorporated by reference as if set forth fully herein.

The School District has covenanted in the Resolution, and does hereby covenant to and with the registered owner(s) hereof, that it (i) shall include the amount of the debt service for this Note, for each fiscal year of the School District in which such amounts are payable, in its budget for that fiscal year, (ii) that it shall appropriate such amounts from its general revenues for the payment of such debt service in each such fiscal year, and (iii) that it shall duly and punctually pay or cause to be paid from the sinking fund established under the Resolution or any other of its revenues or funds the principal amount of this Note and the interest due thereon at the dates and places and in the manner stated therein, according to the true intent and meaning thereof and for such budgeting, appropriation and payment the School District has pledged, irrevocably, its full-faith, credit and taxing power.

In the Resolution, the School District has covenanted to and with registered owners of this Note that it will make no use of the proceeds of this Note, or do or suffer any other action, which, if such use or action had been reasonably expected on the date of issuance of the Note, would cause this Note to be an "arbitrage bond" or a "private activity bond" as such terms are defined in Section 148 and 141 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations thereunder. The School District has further covenanted that it will comply with the requirements of such Section 148 and 141 and with the regulations thereunder throughout the term of this Note.

CONDITIONS PRECEDENT TO ADVANCE OF LOAN PROCEEDS: The Purchaser agrees to advance all of the proceeds of this Note to or upon the direction of the School District on \_\_\_\_\_, 20\_\_\_\_ (the "Advance Date"), but only upon receipt by the Purchaser on or prior to the Advance Date of each of the following documents, in form and substance satisfactory to the Purchaser:

An Opinion of Fox Rothschild LLP ("Note Counsel") as to, among other things, the exemption from federal income taxation of the interest on the Note, in substantially the form provided to Purchaser on the date hereof;

A Tax Compliance Agreement of the School District, with respect to the issuance of the Note, in substantially the form provided to Purchaser on the date hereof;

A completed Form 8038 G, with respect to the Note;

Written instructions from the School District detailing to whom the advance shall be made, including wire instructions, as applicable and

Such other documents, instruments and statements required by Note Counsel to deliver the Opinion of Note Counsel required referenced above.

If the School District fails to deliver any of the documents required by this paragraph, the Purchaser will not advance any proceeds of the Note and all Notes of the School District under this Note shall cease.

DELIVERY OF FINANCIAL STATEMENTS: The School District shall deliver to the Purchaser within two hundred seventy (270) days after the close of each respective fiscal year, its annual audited financial statements, prepared by a Certified Public Accounting Firm in accordance with and presented in a cash basis format and otherwise in form and content acceptable to the Purchaser. In addition, the School District shall deliver to the Purchaser any additional information or operating reports as requested by the Purchaser.

#### MISCELLANEOUS PROVISIONS.

The Note does not pledge the credit or taxing power of the Commonwealth; nor shall this Note be deemed an obligation of the Commonwealth; nor shall the Commonwealth be liable for payment of the principal of or interest on this Note.

The Purchaser shall have the right to exercise the remedies set forth in the Act. Any failure by the Purchaser to exercise any right or privilege hereunder shall not be construed as a waiver of the right or privilege to exercise such right or privilege, or to exercise any other right or privilege, at any other time, and from time to time, thereafter.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon or on the Resolution, against any member, officer or employee, past, present, or future, of the School District or of any successor body, as such, either directly or through the School District 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 issuance of the Note.

It is hereby certified that the approval of the Department of Community and Economic Development of the Commonwealth for the School District to issue and deliver this Note has been duly given pursuant to the Act; that all acts, conditions and things required by the

laws of the Commonwealth to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Note or in the creation of the debt of which this Note is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Note, together with all other indebtedness of the School District are within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth; that the School District has established with the Paying Agent, as sinking fund depository, a sinking fund for this Note and shall deposit therein amounts sufficient to pay the principal of and interest on this Note as the same shall become due and payable; and that for the prompt and full payment of all Notes of this Note, the full faith, credit and taxing power of the School District are hereby irrevocably pledged.

IN WITNESS WHEREOF, the Upper Darby School District, Delaware County, Pennsylvania, has caused this Note to be properly executed by its President of the Board of School Directors of the School District and its corporate seal to be hereto affixed, attested to by its Secretary of the School District as of the 9<sup>th</sup> day of March, 2021.

UPPER DARBY SCHOOL DISTRICT  
Delaware County, Pennsylvania

By: Edward Brown  
President

(SEAL)

Attest: [Signature]  
Secretary



## REGISTRATION FORM

This Note can be validly negotiated only upon proper execution of the form set forth below, and upon notation of the same upon the books of \_\_\_\_\_, \_\_\_\_\_, Pennsylvania, as Paying Agent and Registrar for this Note, maintained for such purpose. The School District and the Registrar shall treat the registered owner of this Note, as noted on this Note and on said books, as the absolute owner hereof, and shall not be affected by any changed circumstances, nor by any notice to the contrary.

Original Registered Owner: \_\_\_\_\_

<u>Date</u>	<u>Transferor</u>	<u>Subsequent Purchaser</u>	<u>Registrar</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

For value received, the last-named Transferor, by its due execution above, hereby, on the above-stated date, sells, transfers and negotiates this Note to the last-named subsequent purchaser, warranting that this transfer is effective and rightful; that, this Note is genuine and has not been materially altered; and that it has no knowledge of any fact which might impair the validity of this Note, and further irrevocably authorizes and directs \_\_\_\_\_, \_\_\_\_\_, Pennsylvania, as Registrar, to make this transfer on its books maintained for such purposes.

\_\_\_\_\_, \_\_\_\_\_, Pennsylvania, as Registrar, by its due execution above, on the above-stated date, acknowledges the transfer of this Note to the subsequent purchaser, who shall now be recognized as registered owner, and has noted such transfer on its books.

ASSIGNMENT

FOR VALUE RECEIVED, \_\_\_\_\_ hereby sells,  
assigns and transfers unto

\_\_\_\_\_  
Name (the "Transferee")

\_\_\_\_\_  
Address

\_\_\_\_\_  
Social Security or Federal  
Employer Identification No.

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints  
\_\_\_\_\_ attorney to transfer the within Note on the books kept for registration  
thereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

NOTICE: No transfer will be issued in the name of the Transferee unless the signature(s) to this assignment correspond(s) with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied. If the Transferee is a trust, the names and Social Security or Federal Employer Identification Numbers of the settlor and beneficiaries of the trust, the Federal Employer Identification Number and date of the trust, and the name of the trustee should be supplied.

## EXHIBIT A

**SCHEDULE "C"**

**PURCHASER'S PROPOSAL**



## Branch Banking & Trust Company

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### Governmental Finance

5130 Parkway Plaza Boulevard  
Charlotte, North Carolina 28217  
Phone (704) 954-1700  
Fax (704) 954-1799

March 2, 2021

Lauren Stadel  
Director  
RBC Capital Markets

Dear Lauren:

Truist Bank ("Lender") is pleased to offer this proposal for the financing requested by the Upper Darby School District, PA ("Borrower").

<b>PROJECT:</b>	General Obligation Note, Series 2021
<b>AMOUNT:</b>	\$6,060,000.00
<b>TERM OR MATURITY DATE:</b>	November 1, 2023
<b>INTEREST RATE:</b>	0.72%
<b>TAX STATUS:</b>	Tax Exempt – Bank Qualified
<b>PAYMENTS:</b>	<u>Interest:</u> Semi-Annual <u>Principal:</u> Annual
<b>INTEREST RATE CALCULATION:</b>	30/360
<b>SECURITY:</b>	Full faith and credit pledge of the Borrower
<b>PREPAYMENT TERMS:</b>	Prepayable in whole at any time without penalty
<b>RATE EXPIRATION:</b>	April 20, 2021
<b>DOCUMENTATION/ LEGAL REVIEW FEE:</b>	\$5,000
<b>FUNDING:</b>	The financing shall be fully funded at closing and we shall allow for a reasonable number of funding disbursements in the form of wires or checks.
<b>DOCUMENTATION:</b>	It shall be the responsibility of the Borrower to retain and compensate counsel to appropriately structure the financing documents according to Federal and State



statutes. Documents shall include provisions that will outline appropriate changes to be implemented in the event that this transaction is determined to be taxable or non-bank qualified in accordance with the Internal Revenue Code. These provisions must be acceptable to Lender. We shall also require the Borrower to provide an unqualified bond counsel opinion, a no litigation certificate, and evidence of IRS Form 8038 filing. Lender and its counsel reserve the right to review and approve all documentation before closing. Lender will not be required to present the bond for payment.

Lender agrees to serve as sinking fund depository for the obligation(s) anticipated to be issued in connection with this financing; provided, however, that Lender shall not, and shall not be obligated by any provision to the contrary, to create, any miscellaneous or rounding amount balance remaining with respect to the unused proceeds of the obligation(s) will be returned to the Borrower for application thereof to the first payment of principal and interest thereon establish or hold a sinking fund account for the benefit of the Borrower. Upon settlement, any miscellaneous or rounding amount balance remaining with respect to the unused proceeds of the obligation(s) will be returned to the Borrower for application thereof to the first payment of principal and interest thereon.

**REPORTING  
REQUIREMENTS:**

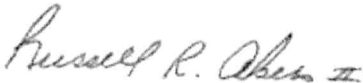
Lender will require financial statements to be delivered within 270 days after the conclusion of each fiscal year-end throughout the term of the financing or in accordance with state requirements.

Lender shall have the right to cancel this offer by notifying the Borrower of its election to do so (whether this offer has previously been accepted by the Borrower) if at any time prior to the closing there is a material adverse change in the Borrower's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the Borrower or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to Lender. Costs of counsel for the Borrower and any other costs will be the responsibility of the Borrower.

The stated interest rate assumes that the Borrower expects to borrow no more than \$10,000,000 in the current calendar year and that the financing will qualify as qualified tax-exempt financing under the Internal Revenue Code. Lender reserves the right to terminate this bid or to negotiate a mutually acceptable interest rate if the financing is not qualified tax-exempt financing.

We appreciate the opportunity to offer this financing proposal. Please call me at (304) 543-0823 with your questions and comments. We look forward to hearing from you.

Sincerely,  
Russell R. Akers, II  
Vice President



**Truist Bank**

Approved by: Upper Darby School District, PA

By:   
Authorized Officer

## CERTIFICATE

I, the undersigned, Secretary of the Board of School Directors of the Upper Darby School District, Delaware County, Pennsylvania (the "School District"), certify that: the foregoing is a true and correct copy of a Resolution that was duly adopted by affirmative vote of a majority of all members of the Board of School Directors of the School District at a meeting duly held on the \_\_\_\_ of \_\_\_\_\_, 2021, said Resolution has been duly recorded in the minute book of the Board of School Directors of the School District; a notice with respect to the intent to adopt said Resolution has been published as required by law; said Resolution 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 Resolution has not been amended, altered, modified or repealed as of the date of this Certificate.

I further certify that the Board of School Directors of the School District met the advance notice requirements of Act No. 175 of the General Assembly of the Commonwealth of Pennsylvania, approved July 19, 1974, as amended, by advertising the time and place of said meeting, and by posting prominently a notice of said meeting at the public building in which said meeting was held, if applicable.

I further certify that: the total number of members of the Board of School Directors of the School District is nine (9); the vote of members of the Board of School Directors of the School District upon said Resolution was called and duly was recorded upon the minutes of said meeting; and members of the Board of School Directors of the School District voted upon said Resolution in the following manner:

<u>Name</u>	<u>Vote</u>
Edward Brown	
Donald Fields	
Neil Desnoyers	
David Neill	
Leah Dawes	
Rachel Mitchell	
Gina Curry	
Dr. Meredith Hegg	
Damien Christopher Warsavage	

IN WITNESS WHEREOF, I set my hand and affix the official seal of the School District this 9<sup>th</sup> day of March, 2021.

**UPPER DARBY SCHOOL DISTRICT**

BY:   
Craig Rogers, Secretary  
Board of School Directors

(SEAL)