

**TOWNSHIP OF AMITY  
BERKS COUNTY, PENNSYLVANIA  
ORDINANCE NO. 339**

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE TOWNSHIP OF AMITY, BERKS COUNTY, PENNSYLVANIA, SETTING FORTH ITS INTENT TO ISSUE A GENERAL OBLIGATION NOTE OF THE TOWNSHIP IN THE PRINCIPAL AMOUNT OF SIX MILLION FIVE HUNDRED THOUSAND DOLLARS (\$6,500,000) PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, 53 PA.C.S. CHAPTERS 80-82, AS AMENDED, REENACTED AND SUPPLEMENTED, KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT (THE "ACT"); FINDING THAT A PRIVATE SALE BY NEGOTIATION IS IN THE BEST FINANCIAL INTEREST OF THE TOWNSHIP; DETERMINING THAT SUCH NOTE SHALL EVIDENCE NONELECTORAL DEBT OF THE TOWNSHIP; SPECIFYING THAT SUCH INDEBTEDNESS IS TO BE INCURRED TO PROVIDE FUNDS TO FINANCE A PROJECT OF THE TOWNSHIP WHICH CONSISTS OF THE FOLLOWING: (1) THE DESIGN, ACQUISITION, CONSTRUCTION, INSTALLATION, FURNISHING AND EQUIPPING OF ALTERATIONS, RENOVATIONS, ADDITIONS AND IMPROVEMENTS TO THE TOWNSHIP'S EXISTING SYSTEMS, BUILDINGS AND FACILITIES, INCLUDING, BUT NOT LIMITED TO, ITS SEWAGE COLLECTION, TRANSPORTATION AND TREATMENT SYSTEM; AND (2) PAYING THE COSTS AND EXPENSES OF ISSUANCE OF THE NOTE; SETTING FORTH THE REASONABLE ESTIMATED USEFUL LIVES OF THE PROJECTS TO BE FINANCED BY THE NOTE; ACCEPTING A PROPOSAL FOR THE PURCHASE OF SUCH NOTE AT PRIVATE SALE BY NEGOTIATION; PROVIDING THAT SUCH NOTE, WHEN ISSUED, SHALL CONSTITUTE A GENERAL OBLIGATION OF THE TOWNSHIP; FIXING THE DENOMINATION, DATED DATE, INTEREST PAYMENT DATES, INTEREST RATES, REDEMPTION PROVISIONS AND PLACE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH NOTE; AUTHORIZING SPECIFIED OFFICERS OF THE TOWNSHIP TO CONTRACT WITH THE PAYING AGENT FOR ITS SERVICES IN CONNECTION WITH THE NOTE; SETTING FORTH THE SUBSTANTIAL FORM OF THE NOTE EVIDENCING THE DEBT; AUTHORIZING EXECUTION AND ATTESTATION OF SUCH NOTE; PROVIDING COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SUCH NOTE TO THE EXTENT REQUIRED BY THE ACT AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE TOWNSHIP IN SUPPORT THEREOF; CREATING A SINKING FUND IN CONNECTION WITH SUCH NOTE, TO THE EXTENT REQUIRED BY THE ACT; DESIGNATING THE PAYING AGENT TO BE THE SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT FOR SUCH NOTE WHEN DUE; SETTING FORTH REGISTRATION AND TRANSFER PROVISIONS WITH RESPECT TO SUCH NOTE; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THE TOWNSHIP TO DO, TO TAKE AND TO PERFORM CERTAIN SPECIFIED, REQUIRED, NECESSARY OR APPROPRIATE ACTS TO EFFECT THE ISSUANCE OF THE NOTE, INCLUDING, WITHOUT LIMITATION, THE PREPARATION OF A DEBT STATEMENT AND BORROWING BASE CERTIFICATE, AND THE FILING OF SPECIFIED DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, ALL AS REQUIRED BY THE ACT; DECLARING THAT THE DEBT TO BE EVIDENCED BY SUCH NOTE, TOGETHER WITH

ALL OTHER INDEBTEDNESS OF THE TOWNSHIP, WILL NOT BE IN EXCESS OF ANY APPLICABLE LIMITATION IMPOSED BY THE ACT; AUTHORIZING PROPER OFFICERS OF THE TOWNSHIP TO DELIVER THE NOTE UPON THE APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; SETTING FORTH CERTAIN COVENANTS PRECLUDING THE TOWNSHIP FROM TAKING ACTIONS WHICH WOULD CAUSE THE NOTE TO BECOME AN “ARBITRAGE BOND” OR A “PRIVATE ACTIVITY BOND” AS THOSE TERMS ARE USED IN THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), AND APPLICABLE REGULATIONS PROMULGATED THEREUNDER; DESIGNATING THE NOTE AS A “QUALIFIED TAX-EXEMPT OBLIGATION” UNDER SECTION 265(b) OF THE CODE; AUTHORIZING AND DIRECTING THE PREPARATION, EXECUTION AND DELIVERY OF ALL OTHER REQUIRED DOCUMENTS AND THE TAKING OF ALL OTHER REQUIRED ACTION; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INSOFAR AS THE SAME SHALL BE INCONSISTENT HERewith.

WHEREAS, the Township of Amity, Berks County, Pennsylvania (the “Township”), is a Township organized under the laws of the Commonwealth of Pennsylvania (the “Commonwealth”); and

WHEREAS, the Township, in contemplation of the issuance and sale of its General Obligation Note in an aggregate principal amount of Six Million Five Hundred Thousand Dollars (\$6,500,000), to provide funds for and towards certain projects of the Township, has determined that the 2024 Note (hereinafter defined) shall be offered for sale at a private sale by negotiation pursuant to the provisions of the Local Government Unit Debt Act of the Commonwealth, as reenacted and amended (the “Act”) and has determined that a private sale by negotiation is in the best financial interests of the Township; and

WHEREAS, the Board of Supervisors of the Township (the “Board of Supervisors”) has determined that such 2024 Note will be issued and designated generally as “Township of Amity, Berks County, Pennsylvania, General Obligation Note, Series of 2024 (the “2024 Note”); and

WHEREAS, the 2024 Note shall be issued in the aggregate principal amount of Six Million Five Hundred Thousand Dollars (\$6,500,000); and

WHEREAS, the Board of Supervisors has determined to accept the proposal of Tompkins Community Bank (the “Purchaser”), for the purchase of the 2024 Note, such sale to be conditioned upon, among other things, the receipt of approval from the Department of Community and Economic Development of the Commonwealth (the “Department”) relating to the incurring of the indebtedness to be evidenced by the 2024 Note; and

WHEREAS, the Board of Supervisors has determined to and desires to accept the proposal of the Purchaser and to incur nonelectoral debt in the aggregate principal amount of Six Million Five Hundred Thousand Dollars (\$6,500,000) to fund the Project (hereinafter described) of the Township pursuant to the provisions of the Act.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the Board of Supervisors of the Township of Amity, Berks County, Pennsylvania, in lawful session duly assembled, as follows:

SECTION 1. Incurrence of Indebtedness.

(a) Pursuant to the provisions of this Ordinance, the Board of Supervisors hereby authorizes and directs the issuance of the 2024 Note in the aggregate principal amount of Six Million Five Hundred Thousand Dollars (\$6,500,000) to be designated generally as “Township of Amity, Berks County, Pennsylvania, General Obligation Note, Series of 2024” or such other name or such other designations, including the appropriate designation of the year and series such 2024 Note is issued, as shall be selected by the Chair or Vice Chair of Board of Supervisors upon delivery of the 2024 Note in accordance with the requirements of Section 7 hereof. The 2024 Note shall be issued and sold in accordance with the provisions of the Act by private sale by negotiation.

(b) The Board of Supervisors determines that the debt to be incurred pursuant to this Ordinance, and which will be evidenced by the 2024 Note, shall be nonelectoral debt of the Township.

SECTION 2. The Project.

A brief description of the project (the “Project”) to be funded with, among other things, the proceeds of the 2024 Note is as follows: (1) the design, acquisition, construction, installation, furnishing and equipping of alterations, renovations, additions and improvements to the Township’s existing systems, buildings and facilities, including, but not limited to, its sewage collection, transportation and treatment system; and (2) the payment of the costs and expenses of issuance of the 2024 Note.

It is hereby determined and declared that the realistic estimated useful lives of the capital projects to be financed by the 2024 Note range from at least 25 years to at least 35 years. It is hereby certified that an aggregate principal amount of the 2024 Note at least equal to the realistic estimated cost of each such capital project shall mature prior to the end of the useful life of such project.

Stated installments or maturities of principal of the 2024 Note will not be deferred beyond the later of one year after the estimated date for the completion of the construction portion of the Project, if any, or two years from the date of issuance of the 2024 Note.

The Township hereby finds and certifies that realistic cost estimates have been obtained for the capital costs of the Project from financial analysts, registered architects, professional engineers or other persons qualified by experience to provide such estimates.

SECTION 3. Private Sale by Negotiation.

The private sale by negotiation of the 2024 Note to finance the Project and the costs and expenses of the financing is hereby determined to be in the best financial interest of the Township.

SECTION 4. Acceptance of Proposal.

Subject to the approval of the Department, as required by the provisions of the Act, the Board of Supervisors shall and does hereby accept the proposal of the Purchaser, for the purchase of the 2024 Note in accordance with the terms and conditions of this Ordinance and the Purchaser's proposal, dated June 4, 2024 (the "Proposal"). The sale of the 2024 Note shall be for an aggregate purchase price equal to 100% of the par amount of the 2024 Note issued by the Township, plus accrued interest, if any, from the date of the 2024 Note to the date of delivery thereof. The Chair or Vice Chair of the Board of Supervisors is hereby authorized and directed to accept and to execute the Proposal in the name and on behalf of the Township, and the Secretary or Assistant Secretary of the Township is hereby authorized and directed to attest to such acceptance and execution. A copy of the Proposal, as presented to the Board of Supervisors and accepted by this Ordinance, is incorporated herein by reference and shall be attached to this Ordinance and maintained with the minutes of this meeting.

SECTION 5. The 2024 Note.

(a) The 2024 Note, when issued, will be a general obligation of the Township.

(b) The 2024 Note shall be fully registered, without coupons, in denominations of \$1,000 or any integral multiple thereof, in substantially the form hereinafter set forth in Section 7. The 2024 Note shall be dated as set forth in the definitive 2024 Note as delivered to the Purchaser in accordance with the provisions hereof, and shall bear interest from that date at the applicable rates per annum as set forth herein, payable in accordance with the provisions of the 2024 Note and this Ordinance, on May 1 and November 1 in each year, commencing November 1, 2024 (each an "Interest Payment Date"), until maturity or prior redemption.

(c) The 2024 Note will be issued in the principal amount of \$6,500,000, dated and bearing interest from the date of issue, at a fixed annual rate of interest equal to five percent (5.00%), payable on the unpaid balance of the 2024 Note during the term of the 2024 Note through and including April 30, 2034. Thereafter, commencing May 1, 2034, the 2024 Note will bear interest at a variable annual rate of interest equal to seventy-nine percent (79%) of the Wall Street Journal Prime Rate (or its equivalent); provided, however, that in no event shall the interest rate on the 2024 Note exceed seven percent (7.00%) per annum. Interest is payable on the unpaid balance of the 2024 Note during its term until paid. The 2024 Note shall mature in installments of principal as shown on the attached schedule hereinafter referred to as Exhibit "A."

(d) The Township reserves the right to anticipate any or all installments of principal or any payment of interest at any time prior to the respective payment dates thereof, in accordance with the limitations as specified in the Note and the Proposal, if any.

(e) The principal and interest of the 2024 Note shall be payable at the office of the sinking fund depository selected for the 2024 Note as hereinafter provided.

(f) If the date for payment of the principal of or the interest on the 2024 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 the payment of such principal or interest 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 on which such banking institutions are authorized to remain closed, with the same force and effect as if made on the nominal date of redemption, and no interest shall accrue after such date.

SECTION 6. Appointment of Paying Agent, Registrar and Sinking Fund Depository.

The proper officers of the Township are hereby authorized, empowered and directed to contract with Tompkins Community Bank or such other bank or bank and trust company authorized to do business in the Commonwealth of Pennsylvania and who has an office in the Commonwealth of Pennsylvania (the "Paying Agent"), for its services as paying agent and sinking fund depository in accordance with the terms and conditions of the Proposal, this Ordinance and the Act. Payment of the principal of and interest on the 2024 Note shall be made, when due, in accordance with the provisions of the 2024 Note, at the designated office of the Paying Agent in lawful money of the United States of America. The Township may, by ordinance, from time to time, appoint a successor paying agent, registrar or sinking fund depository to fill a vacancy or for any other reason.

SECTION 7. Form of 2024 Note.

(a) The 2024 Note shall be in substantially the form set forth in Exhibit "B" with appropriate insertions, omissions and variations. The form of the 2024 Note as submitted to the Township is hereby approved in substantially such form, with such changes, insertions and variations as are necessary or appropriate to reflect the final terms, including, but not limited to, the name or designation and the final redemption provisions, of the 2024 Note as specified to the Township in the delivery instructions of the Purchaser and such other changes as the Chair or Vice Chair of the Board of Supervisors may approve upon advice of counsel to the Township, such approval to be evidenced by such officer's execution and delivery of the 2024 Note.

(b) The 2024 Note shall be executed in the name and on behalf of the Township by the true or facsimile signature of the Chair or Vice Chair of the Board of Supervisors and the true or facsimile official seal of the Township shall be affixed thereunto, duly attested by the true or facsimile signature of the Secretary or Assistant Secretary of the Township. Said officers are authorized and directed to execute and attest the 2024 Note. The execution and delivery of the 2024 Note shall constitute conclusive proof of the approval of the final terms and provisions of the 2024 Note by the Township.

SECTION 8. General Obligation Covenant.

The Township covenants to and with the registered owners from time to time of the 2024 Note that the Township (i) shall include in its budget in each fiscal year the amount of the debt service for each fiscal year of the Township in which such sums are payable, (ii) shall appropriate from its general revenues in each such fiscal year the amount required to pay debt service on the 2024 Note for such year, and (iii) shall duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds the principal amount of the 2024 Note

and the interest due thereon at the dates and place and in the manner stated therein, according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Township shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in Section 8104 of the Act, the foregoing covenant of the Township shall be enforceable specifically.

SECTION 9. Sinking Fund.

(a) The Township hereby covenants to create and there is hereby created, pursuant to Section 8221 of the Act, a sinking fund for the 2024 Note, to be known as “Sinking Fund – Township of Amity, Berks County, Pennsylvania, General Obligation Note, Series of 2024” (the “Sinking Fund”) or such other name, series or designation as selected by the proper officers of the Township from time to time which shall be established with the Paying Agent and administered in accordance with applicable provisions of the Act and this Ordinance.

(b) The Paying Agent shall be the “sinking fund depository” with respect to the Sinking Fund created pursuant to Section 9(a). The Township covenants and agrees to deposit in the Sinking Fund, on or before each Interest Payment Date, an amount which shall be sufficient to permit the Paying Agent to pay on such Interest Payment Date all principal and accrued interest becoming due with respect to the 2024 Note. After such deposit, the Paying Agent shall, without further authorization or direction from the Township or any of its officials, upon proper and timely presentation, execution and surrender of the 2024 Note, with respect to the payment of principal of the 2024 Note, or at the Interest Payment Date, with respect to the payment of interest on the 2024 Note, withdraw moneys from the Sinking Fund and apply such moneys to the prompt and full payment of such obligations in accordance with the terms thereof, the terms and conditions of this Ordinance and the provisions of the Act.

SECTION 10. Debt Statement and Borrowing Base Certificate.

The Chair or Vice Chair of the Board of Supervisors and the Secretary or Assistant Secretary of the Township, and, if applicable, their duly qualified respective successors, are hereby authorized and directed, in the name and on behalf of the Township: (a) to prepare, execute and certify the debt statement and borrowing base certificate required by the Act; (b) to prepare, execute and file with the Department, as required by Section 8111 of the Act, a duly attested copy of this Ordinance, with proofs of proper publication, the accepted Proposal of the Purchaser and a complete and accurate transcript of the proceedings relating to the incurring of the debt to be evidenced by the 2024 Note, including the debt statement and borrowing base certificate; (c) to pay or to cause to be paid to the Department all proper filing fees required by the Act in connection with the foregoing; (d) to pay or cause to be paid from proceeds of the 2024 Note or otherwise, all costs and expenses incurred by the Township in connection with the issuance of the 2024 Note; (e) to advertise the enactment of this Ordinance, as required by the Act; and (f) to take any and all other action, and to execute and deliver any and all documents and other instruments, required or permitted by the Act or by the Proposal of the Purchaser, or which they, in their sole discretion, may deem necessary, proper or desirable to effect the issuance of the 2024 Note, to the extent not inconsistent with this Ordinance or applicable law.

The Chair or Vice Chair of the Board of Supervisors and the Secretary or Assistant Secretary of the Township, and, if applicable, their duly qualified respective successors, are each authorized and directed, if necessary or desirable, to cause to be prepared and filed with the Department appropriate statements required by Section 8026 of the Act which are necessary to qualify the nonelectoral or lease rental debt of the Township, which is subject to exclusion of self-liquidating or subsidized debt, for exclusion from the appropriate debt limits of the Township as self-liquidating or subsidized debt.

SECTION 11. Compliance with Debt Act.

It is hereby declared that the debt to be evidenced by the 2024 Note, together with all other indebtedness of the Township, is not in excess of any applicable limitation imposed by the Act upon the incurring of debt by the Township.

SECTION 12. Delivery of the 2024 Note.

The proper officers of the Township are hereby authorized and directed to deliver the 2024 Note to the Purchaser, upon due registration thereof as provided for herein, upon receipt of full and proper payment of the purchase price therefor, provided, however, that such delivery shall be effected only after the Department has certified its approval pursuant to Section 8204 of the Act.

SECTION 13. Internal Revenue Code Covenants.

(a) The Township covenants to and with the registered owners of the 2024 Note that it will make no use of the proceeds of such issue or do or suffer any other action which, if such use or action had been reasonably expected on the date of issue of such 2024 Note, would cause such 2024 Note to be an “arbitrage bond” or a “private activity bond” as those terms are defined in Section 148 and Section 141 of the Code and the applicable regulations thereunder. The Township further covenants that it will comply with the requirements of such Section 148 and Section 141 and with the regulations thereunder throughout the term of this issue. In addition, the Chair or Vice Chair of the Board of Supervisors, being the official(s) responsible for issuing the 2024 Note, attested by the Secretary or Assistant Secretary of the Township, are hereby authorized and directed to execute and deliver, in the name and on behalf of the Township, any and all documents or other instruments which Bond Counsel may reasonably request in connection with the providing of its opinion that the 2024 Note is not an “arbitrage bond” or a “private activity bond” within the meanings of Section 148 and Section 141 of the Code and the regulations promulgated thereunder, including, without limitation, a certificate dated the date of issuance and delivery of the 2024 Note, which certificate shall set forth the reasonable expectations of the Township as to the amount and use of the proceeds of the 2024 Note.

(b) In accordance with the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended (the “Code”), the Township hereby finds, determines and designates the 2024 Note as a “qualified tax-exempt obligation” as defined in Section 265(b)(3)(B) of the Code, for the purposes of such Section 265(b) of the Code. The Township determines that it and all entities with which it is aggregated under Section 265(b)(3)(E) of the

Code have not issued, and do not reasonably expect to issue, tax-exempt obligations which, in the aggregate, exceed or will exceed Ten Million Dollars (\$10,000,000) as calculated for purposes of such Section during the calendar year 2024. The Township also determines that it will not engage in any action or inaction which will or may cause the 2024 Note to fail or cease to constitute a “qualified tax-exempt obligation” under Section 265(b)(3) of the Code.

SECTION 14. Appointment of Bond Counsel.

The Township hereby appoints and engages Stevens & Lee, P.C., to act as Bond Counsel to the Township in connection with the issuance of the 2024 Note and to facilitate the intent of this Ordinance and the Chair or Vice Chair of Board of Supervisors are each hereby authorized and directed to execute an engagement letter with such counsel.

SECTION 15. Advertising.

The action of the officers of the Township in advertising a summary of this Ordinance, as required by law, is ratified and confirmed. The officers of the Township, or any of them, are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in the Township within 15 days after final enactment. The Secretary of the Township is hereby directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

SECTION 16. Mandatory Provisions of Act.

This Ordinance is enacted pursuant to the Act and the laws and the Constitution of the Commonwealth of Pennsylvania, and the Township hereby determines and declares that each and every matter and thing provided for herein is necessary and desirable to carry out and effect the public purposes of the Township in accordance with such laws. All of the mandatory provisions of the Act shall apply hereunder whether or not explicitly stated herein and are specifically incorporated herein by reference.

SECTION 17. Contractual Obligation.

In consideration of the purchase and acceptance of the 2024 Note authorized to be issued hereunder by those who shall purchase the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Township and the Holders from time to time of the 2024 Note; and the covenants and agreements herein set forth to be performed on behalf of the Township shall be for the benefit, protection and security of the Holders from time to time of the 2024 Note. If the Township shall default in the performance of any of its obligations hereunder, under the 2024 Note or under the Act, the holders or registered owners of the 2024 Note shall be entitled to all of the rights and remedies provided by the Act in the event of such default.

SECTION 18. General Authorization.

The officers and officials of the Township are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or



appropriate in order to effect the execution, issuance, sale and delivery of the 2024 Note, all in accordance with this Ordinance.

SECTION 19. Invalidity.

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 the remainder of this Ordinance shall remain in full force and effect.

SECTION 20. Repeal of Inconsistent Ordinances.

All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly hereby are repealed.

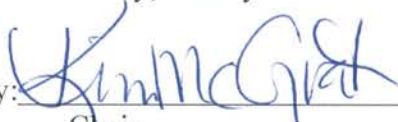
SECTION 21. Effectiveness of Ordinance.

This Ordinance shall be effective in accordance with Section 8003 of the Act.

**DULY ENACTED, THIS 19th DAY OF JUNE, 2024, BY THE BOARD OF SUPERVISORS OF THE TOWNSHIP OF AMITY, BERKS COUNTY, PENNSYLVANIA, IN LAWFUL SESSION DULY ASSEMBLED.**

TOWNSHIP OF AMITY  
Berks County, Pennsylvania

(SEAL)

By:   
Chair


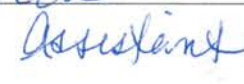
Attest:   
Secretary  Assistant

EXHIBIT A

Debt Service Schedule

**EXHIBIT A**

**Debt Service Schedule**

**TOWNSHIP OF AMITY**

**MAXIMUM GO NOTE SERIES OF 2024**

1	2	3	4	5	6
<u>Date</u>	MAX <u>Principal</u>	MAX <u>Rate</u>	<u>Interest</u>	MAX Semi-Annual <u>Debt Service</u>	MAX Fiscal Year <u>Debt Service</u>
11/1/2024		7.000	125,125.00	125,125.00	125,125.00
5/1/2025		7.000	227,500.00	227,500.00	
11/1/2025		7.000	227,500.00	227,500.00	455,000.00
5/1/2026	1,000	7.000	227,500.00	228,500.00	
11/1/2026		7.000	227,465.00	227,465.00	455,965.00
5/1/2027	122,000	7.000	227,465.00	349,465.00	
11/1/2027		7.000	223,195.00	223,195.00	572,660.00
5/1/2028	136,000	7.000	223,195.00	359,195.00	
11/1/2028		7.000	218,435.00	218,435.00	577,630.00
5/1/2029	148,000	7.000	218,435.00	366,435.00	
11/1/2029		7.000	213,255.00	213,255.00	579,690.00
5/1/2030	154,000	7.000	213,255.00	367,255.00	
11/1/2030		7.000	207,865.00	207,865.00	575,120.00
5/1/2031	156,000	7.000	207,865.00	363,865.00	
11/1/2031		7.000	202,405.00	202,405.00	566,270.00
5/1/2032	163,000	7.000	202,405.00	365,405.00	
11/1/2032		7.000	196,700.00	196,700.00	562,105.00
5/1/2033	177,000	7.000	196,700.00	373,700.00	
11/1/2033		7.000	190,505.00	190,505.00	564,205.00
5/1/2034	182,000	7.000	190,505.00	372,505.00	
11/1/2034		7.000	184,135.00	184,135.00	556,640.00
5/1/2035	193,000	7.000	184,135.00	377,135.00	
11/1/2035		7.000	177,380.00	177,380.00	554,515.00
5/1/2036	458,000	7.000	177,380.00	635,380.00	
11/1/2036		7.000	161,350.00	161,350.00	796,730.00
5/1/2037	478,000	7.000	161,350.00	639,350.00	
11/1/2037		7.000	144,620.00	144,620.00	783,970.00
5/1/2038	505,000	7.000	144,620.00	649,620.00	
11/1/2038		7.000	126,945.00	126,945.00	776,565.00
5/1/2039	529,000	7.000	126,945.00	655,945.00	
11/1/2039		7.000	108,430.00	108,430.00	764,375.00
5/1/2040	560,000	7.000	108,430.00	668,430.00	
11/1/2040		7.000	88,830.00	88,830.00	757,260.00
5/1/2041	589,000	7.000	88,830.00	677,830.00	
11/1/2041		7.000	68,215.00	68,215.00	746,045.00
5/1/2042	619,000	7.000	68,215.00	687,215.00	
11/1/2042		7.000	46,550.00	46,550.00	733,765.00
5/1/2043	647,000	7.000	46,550.00	693,550.00	
11/1/2043		7.000	23,905.00	23,905.00	717,455.00
5/1/2044	683,000	7.000	23,905.00	706,905.00	
11/1/2044		7.000	0.00	0.00	706,905.00
<b>TOTALS</b>	<b>6,500,000</b>		<b>6,427,995.00</b>	<b>12,927,995.00</b>	<b>12,927,995.00</b>

EXHIBIT B

Form of 2024 Note

UNITED STATES OF AMERICA  
COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF BERKS  
TOWNSHIP OF AMITY

GENERAL OBLIGATION NOTE  
SERIES OF 2024

\$6,500,000  
Dated: \_\_\_\_\_, 2024

The TOWNSHIP OF AMITY, BERKS COUNTY, COMMONWEALTH OF PENNSYLVANIA (the “Township”), a local government unit existing by and under the laws of said Commonwealth, for value received, hereby acknowledges itself indebted and promises to pay to TOMPKINS COMMUNITY BANK (the “Purchaser”), or registered assigns, the sum of Six Million Five Hundred Thousand Dollars (\$6,500,000) or such lesser principal sum as shall have been advanced hereunder and remain unpaid, with interest thereon from the date of such advance, on the terms and conditions set forth below.

Interest shall be due and payable on the outstanding principal balance of this Note from the date hereof through and including April 30, 2034 at a fixed rate of five percent (5.00%) per annum. Thereafter, commencing May 1, 2034, interest shall be due and payable on the outstanding principal balance of this Note at a variable annual rate of interest equal to seventy-nine percent (79%) of the Wall Street Journal Prime Rate (or its equivalent); provided, however, that in no event shall the interest rate on this Note exceed seven percent (7.00%) per annum.

As used herein the term “Wall Street Journal Prime Rate” shall mean the “Prime Rate” published in the “Money Rates” section of *The Wall Street Journal* on the applicable date, or the highest “Prime Rate” if more than one is published, as such rate may change from time to time. If *The Wall Street Journal* ceases to be published or goes on strike or is otherwise not published for any period of time or if it ceases to publish a “Prime Rate” then the Purchaser may use any similar published Prime or Base Rate as designated by the Purchaser.

Interest shall be payable on May 1 and November 1 in each year, commencing November 1, 2024 (each an “Interest Payment Date”). All interest hereunder shall be computed based on a 360 day year comprised of twelve 30-day months.

Principal of this Note shall be due and payable annually on May 1 of each year, commencing May 1, 2026, in the amounts set forth on Exhibit “A” attached hereto and made a part hereof. On May 1, 2044 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 Township shall have the option to prepay all or a portion of this Note at any time and from time to time without notice and without 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 Tompkins Community Bank, the paying agent, located in Berks, Pennsylvania.

This General Obligation Note, Series of 2024 (the "Note") is issued under and pursuant to provisions of the Ordinance enacted by the Board of Supervisors of the Township on June 19, 2024 (the "Ordinance"). 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 Ordinance. This Note shall be issued in the principal amount of \$6,500,000 and is subject to provisions and is entitled to the benefit of provisions of the Ordinance. The terms and provisions of the Ordinance are hereby incorporated by reference as if set forth fully herein.

The Township has covenanted in the Ordinance, 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 Township 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 Ordinance 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 Township has pledged, irrevocably, its full-faith, credit and taxing power.

In the Ordinance, the Township 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 Township 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.

DELIVERY OF FINANCIAL STATEMENTS AND BUDGET: The Township covenants and agrees with the Purchaser that while any amounts are due and payable under this Note, the Township shall deliver to the Purchaser within thirty (30) days of completion, (a) its annual audited financial statements and (b) its annual budget.

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.

This Note has been designated in the Ordinance by the Township as a “qualified tax-exempt obligation,” within the meaning of Section 265(b)(3)(B) of the Code.

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 Ordinance, against any member, officer or employee, past, present, or future, of the Township or of any successor body, as such, either directly or through 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 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 Township 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 Township are within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth; that the Township 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 obligations of this Note, the full faith, credit and taxing power of the Township are hereby irrevocably pledged.

IN WITNESS WHEREOF, the Township of Amity, Berks County, Pennsylvania, has caused this Note to be properly executed by its Chair of the Board of Supervisors of the Township and its corporate seal to be hereto affixed, attested to by the Secretary of the Township as of the \_\_\_\_ day of \_\_\_\_\_, 2024.

TOWNSHIP OF AMITY  
Berks County, Pennsylvania

By: \_\_\_\_\_  
Chair

Attest: \_\_\_\_\_  
Secretary

(SEAL)



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 Tompkins Community Bank of Wyomissing, Pennsylvania, as Paying Agent and Registrar for this Note, maintained for such purpose. The Township 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: Tompkins Community Bank, Wyomissing, Pennsylvania

<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 Tompkins Community Bank, Wyomissing, Pennsylvania, as Registrar, to make this transfer on its books maintained for such purposes.

Tompkins Community Bank, Wyomissing, 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"**  
**Principal Repayment Schedule**