

**RESOLUTION NO. 20-34**

**RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY**

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***TITLE:***

**RESOLUTION AUTHORIZING THE ISSUANCE OF COUNTY OF MORRIS  
GUARANTEED POOLED PROGRAM BONDS OF THE MORRIS COUNTY  
IMPROVEMENT AUTHORITY**

**Adopted December 16, 2020**

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**RESOLUTION AUTHORIZING THE ISSUANCE OF  
COUNTY OF MORRIS GUARANTEED POOLED PROGRAM BONDS  
OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY**

**WHEREAS**, the Morris County Improvement Authority (including any successors and assigns, the "Authority") has been duly created by resolution no. 42 entitled "Resolution of the Board of Chosen Freeholders of Morris County, New Jersey creating the Morris County Improvement Authority" duly adopted by the Board of Chosen Freeholders (the "Board of Freeholders") of the County of Morris (the "County of Morris") in the State of New Jersey (the "State") on April 10, 2002 as a public body corporate and politic of the State pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplemental thereto (the "Act");

**WHEREAS**, the Authority is authorized by law to purchase, lease or otherwise acquire public facilities for the benefit of certain local governmental units located within, without and including the County of Morris;

**WHEREAS**, the County of Sussex, New Jersey (the "County of Sussex"), does not presently have its own county improvement authority, and therefore the Authority is authorized under the Act to provide the financing for the Town of Newton Project (as defined below) on behalf of the Town of Newton (as defined below);

**WHEREAS**, the Authority is authorized by law to finance public facilities through the acquisition of debt, including, without limitation, (i) the general obligation refunding bonds (the "County Chapter 12 Bonds") of the County of Morris, (ii) the general obligation refunding bonds (the "Borough of Chester Bonds") of the Borough of Chester, in the County of Morris (the "Borough of Chester"), (iii) the general obligation refunding bonds (the "Borough of Rockaway Refunding Bonds") and the general obligation new money bonds (the "Borough of Rockaway New Money Bonds"; and together with the Borough of Rockaway Refunding Bonds, the "Borough of Rockaway Bonds") of the Borough of Rockaway, in the County of Morris (the "Borough of Rockaway"), (iv) the general obligation refunding bonds (the "Town of Newton Bonds"; and together with the County Chapter 12 Bonds, the Borough of Chester Bonds and the Borough of Rockaway Bonds, the "Local Unit Bonds") of the Town of Newton, in the County of Sussex (the "Town of Newton"; and together with the County of Morris, the Borough of Chester and the Borough of Rockaway, each a "Local Unit" and, collectively, the "Local Units"), and (v) the lease revenue bonds of the Authority;

**WHEREAS**, pursuant to the terms hereof and of the Act, the Authority has previously financed the acquisition and installation of certain capital equipment and the acquisition, construction, renovation and installation of certain property and infrastructure improvements at the facility located in Parsippany-Troy Hills, New Jersey, and known as Block 7, Lot 2 as more fully set forth on Exhibit A to the Property and Infrastructure Lease Purchase Agreement (including a Ground Lease) entered into between the Authority and the County of Morris (collectively, the "Lease Agreement"; and together with the Local Unit Bonds, the "Project Agreements"), through the issuance of the Authority's "Lease Revenue Bonds, Series 2011A" (the "Series 2011 Lease Revenue Bonds"), the Authority's "Lease Revenue Notes, Series 2011A" (the "Series 2011 Lease Revenue Notes"), and the Authority's "Lease Revenue Bonds, Series 2012" (the "Series 2012 Lease Revenue Bonds"; and together with the Series 2011 Lease Revenue Bonds and the Series 2011 Lease Revenue Notes, the "Prior Authority Lease Revenue Bonds");

**WHEREAS**, the County desires to refund, on a taxable basis, all or a portion of the Prior Authority Lease Revenue Bonds through the issuance of Authority Lease Revenue Bonds, Series 2020 (the "Series 2020 Lease Revenue Bonds"; and together with the Prior Authority Lease Revenue Bonds, the "Authority Lease Revenue Bonds"), which were issued to finance or refinance, as applicable, projects for the Local Units (collectively, the "Refunding Project");

**WHEREAS**, the Series 2020 Lease Revenue Bonds, the County Chapter 12 Bonds, the Borough of Chester Bonds, the Borough of Rockaway Bonds and the Town of Newton Bonds shall be collectively referred to herein as the "Privately Placed Bonds";

**WHEREAS**, the Borough of Rockaway has heretofore issued bond anticipation notes for various general capital and water utility projects (the "Borough of Rockaway Prior Notes") and now desires to refund the Borough of Rockaway Prior Notes and to finance additional new money projects (collectively, the "Borough of Rockaway Project"; and together with the Refunding Project, the "Series 2020 Projects");

**WHEREAS**, the Series 2020 Lease Revenue Bonds will be issued pursuant to the terms of the Authority's bond resolution duly adopted on June 20, 2011 and entitled, "RESOLUTION AUTHORIZING THE ISSUANCE OF LEASE REVENUE BONDS OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY", as amended and supplemented, including by a supplemental bond resolution duly adopted on December 16, 2020 and entitled, "SUPPLEMENTAL REFUNDING BOND RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY SUPPLEMENTING THE AUTHORITY'S RESOLUTION ENTITLED: 'RESOLUTION AUTHORIZING THE ISSUANCE OF AUTHORITY LEASE REVENUE BONDS OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY' ADOPTED JUNE 20, 2011, AS AMENDED AND SUPPLEMENTED BY A CERTIFICATE OF AN AUTHORIZED OFFICER OF THE AUTHORITY DATED AUGUST 30, 2011, AND AS FURTHER AMENDED AND SUPPLEMENTED BY A CERTIFICATE OF AN AUTHORIZED OFFICER OF THE AUTHORITY DATED JUNE 28, 2020" (collectively, the "Lease Revenue Bond Resolution"), the Act and other applicable law;

**WHEREAS**, the principal of and interest on the Series 2020 Lease Revenue Bonds shall be paid from certain rental payments made by the County of Morris in accordance with the terms of the Lease Agreement and as otherwise set forth in the Lease Revenue Bond Resolution;

**WHEREAS**, the principal of and interest on the Local Unit Bonds shall be paid from general obligation payments of the respective Local Units;

**WHEREAS**, the Authority shall deposit the proceeds of the Series 2020 Lease Revenue Bonds issued under the Lease Revenue Bond Resolution with U.S. Bank National Association, the trustee designated under the Lease Revenue Bond Resolution (the "Lease Revenue Trustee") to finance: (i) refunding the Prior Authority Lease Revenue Bonds; (ii) certain costs of issuance attributable to the Series 2020 Lease Revenue Bonds; and (iii) capitalized interest, if necessary;

**WHEREAS**, simultaneously with the issuance of the Series 2020 Lease Revenue Bonds, the Authority shall deposit a portion of the proceeds of the Local Unit Bonds with the hereinafter defined Pooled Trustee, as an equity contribution, to pay the cost of: (i) certain costs of issuance attributable to the Local Unit Bonds; (ii) capitalized interest, if any, and (iii) such other items as shall be set forth herein;

**WHEREAS**, (i) the Borough of Rockaway New Money Bonds will be purchased with the proceeds from the Authority's "County of Morris Guaranteed Pooled Program Bonds, Series 2020A" (the "Series 2020A Pooled Program Bonds") and (ii) the Series 2020 Lease Revenue Bonds and the Local Unit

Bonds (except for the Borough of Rockaway New Money Bonds) will be purchased with the proceeds from the Authority's "County of Morris Guaranteed Pooled Program Bonds, Series 2020B (Federally Taxable)" (the "Series 2020B Pooled Program Bonds"; and together with the Series 2020A Pooled Program Bonds, the "Series 2020 Pooled Program Bonds") to be issued under the Authority bond resolution entitled, "RESOLUTION AUTHORIZING THE ISSUANCE OF COUNTY OF MORRIS GUARANTEED POOLED PROGRAM BONDS OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY" (the "Series 2020 Pooled Program Bond Resolution");

**WHEREAS**, the issuance of the Series 2020 Pooled Program Bonds for the purpose of acquiring the Privately Placed Bonds to finance the Series 2020 Projects shall be collectively referred to herein as the "Project";

**WHEREAS**, the principal of, redemption premium, if any, and interest on the Series 2020A Pooled Program Bonds shall be secured by the pledge of the Pooled Program Trust Estate (as defined in the Series 2020 Pooled Program Bond Resolution) by the Authority to U.S. Bank National Association, the Pooled Trustee named therein (the "Pooled Trustee"), which Pooled Program Trust Estate shall include, among other things, the principal of, redemption premium, if any, and interest on the Borough of Rockaway New Money Bonds, the payment on which shall be made by the Borough of Rockaway in accordance with the Local Bond Law or other law as applicable, and which shall be made from the levy of *ad valorem* taxes upon all the taxable real property within the jurisdiction of the Borough of Rockaway, without limitation as to rate or amount, and which Borough of Rockaway New Money Bonds shall be assigned by the Authority to the Pooled Trustee as further security for the payment of the Series 2020A Pooled Program Bonds in accordance with the terms of the Series 2020 Pooled Program Bond Resolution;

**WHEREAS**, the principal of, redemption premium, if any, and interest on the Series 2020B Pooled Program Bonds shall be secured by the pledge of the Pooled Program Trust Estate by the Authority to the Pooled Trustee, which Pooled Program Trust Estate shall include, among other things, the Lease Agreement; the principal of, redemption premium, if any, and interest on the County Chapter 12 Bonds, the Borough of Chester Bonds, the Borough of Rockaway Refunding Bonds and the Town of Newton Bonds, the payment on which shall be made by the respective Local Unit in accordance with the Local Bond Law or other law as applicable, and which shall be made from the levy of *ad valorem* taxes upon all the taxable real property within the jurisdiction of the respective Local Unit, without limitation as to rate or amount, and which County Chapter 12 Bonds, Borough of Chester Bonds, Borough of Rockaway Refunding Bonds and Town of Newton Bonds shall be assigned by the Authority to the Pooled Trustee as further security for the payment of the Series 2020B Pooled Program Bonds in accordance with the terms of the Series 2020 Pooled Program Bond Resolution and the Lease Agreement;

**WHEREAS**, payment of the principal of (including mandatory sinking fund installments, if any) and interest on the Series 2020 Pooled Program Bonds shall be fully, unconditionally and irrevocably guaranteed in accordance with (i) the terms of a guaranty ordinance of the County of Morris to be finally adopted by the Board of Freeholders, (ii) by a guaranty certificate to be executed by an authorized officer of the County of Morris on the face of each Series 2020 Pooled Program Bond, and (iii) an agreement setting forth the County's obligation to make any such guaranty payments in accordance with and within the parameters set forth in said guaranty ordinance (collectively, the "County Guaranty"), all pursuant to Section 37 of the Act (N.J.S.A. 40:37A-80) and other applicable law, which payments shall also be included as part of the Trust Estate (as defined in the Series 2020 Pooled Program Bond Resolution) applicable to the Series 2020 Pooled Program Bonds pledged by the Authority to the Pooled Trustee under the Series 2020 Pooled Program Bond Resolution;

**WHEREAS**, in accordance with the terms of the Lease Revenue Bond Resolution, the Series 2020 Pooled Program Bond Resolution, the County Guaranty and the Lease Agreement, the Trustee shall not notify the County of the possible need for payments from the County under the County Guaranty to pay all of a portion of the principal of and interest on the Series 2020 Pooled Program Bonds when due until the respective payment dates for the Local Units under their respective Privately Placed Bonds and the Lease Agreement shall have passed and the Local Units shall have failed to make their required payments thereunder in full;

**WHEREAS**, the Authority shall have no obligation with respect to the Project other than the financing thereof; accordingly, the payment of the Privately Placed Bonds shall remain the sole responsibility of the respective Local Units; and

**WHEREAS**, in accordance with Section 13 of the Act (N.J.S.A. 40:37A-56), prior to the issuance of the Series 2020 Pooled Program Bonds, the Authority will have made a detailed report of the Project to the Board of Freeholders, which report will include, without limitation, descriptions of the Series 2020 Pooled Program Bond Resolution, the Lease Revenue Bond Resolution, the Series 2020 Pooled Program Bonds, the Project Agreements and, if necessary, desirable or convenient as determined by the Authority and the County of Morris, such other applicable agreements.

**NOW, THEREFORE, BE IT RESOLVED BY THE MORRIS COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:**



## ARTICLE I

### DEFINITIONS

**SECTION 1.01. Definitions.** All defined terms in the recitals to this Pooled Program Bond Resolution shall have the meanings ascribed thereto for all purposes of this Pooled Program Bond Resolution. Except as otherwise herein defined, each of the capitalized terms used in this Pooled Program Bond Resolution shall have the same meaning as set forth therefor in the Project Agreements. With respect to any defined term that is given a different meaning under this Pooled Program Bond Resolution than under such Project Agreements, as used herein it shall have the meaning designated below.

The following terms shall, for all purposes of this Pooled Program Bond Resolution, have the following meanings:

"Accounts" shall mean any account established in any of the Funds established by Article V hereof.

"Acquisition Account" shall have the meaning ascribed to such term in the Lease Revenue Bond Resolution.

"Acquisition Fund" shall have the meaning ascribed to such term in the Lease Revenue Bond Resolution.

"Additional Bonds" means all Bonds authenticated and delivered pursuant to Section 2.04 hereof.

"Additional Lease Payments" shall have the meaning ascribed to such term in the Lease Revenue Bond Resolution.

"Additional Project" shall have the meaning ascribed to such term in the Lease Agreement.

"Administrative Expense Account" shall mean the Account so designated and established by Article V hereof.

"Administrative Expenses" means the expenses that are incurred by the Authority or the County, including the Administrative Fee, in carrying out their respective rights and duties under the terms of the Lease Agreement, the Local Unit Bonds, the County Guaranty, the Lease Revenue Bond Resolution or this Pooled Program Bond Resolution, including, without limitation, accounting, administrative, financial advisory and legal expenses and the fees and expenses of the Privately Placed Trustee or the Pooled Trustee, any paying agents or any other fiduciaries or agents acting on behalf of the Authority or the County under or pursuant to the terms of the Lease Agreement, the Local Unit Bonds, the County Guaranty, the Lease Revenue Bond Resolution or this Pooled Program Bond Resolution.

"Administrative Fee" means the deduction by the Pooled Trustee from a portion of the proceeds of the Series 2020 Pooled Program Bonds payable to the Authority upon initial issuance thereof in an amount to be determined by the Certificate of an Authorized Officer of the Authority referred to in Section 2.02(1)(e) hereof.

"Administrative Fund" shall mean the Fund so designated and established by Article V of this Pooled Program Bond Resolution.

"Allocable Share" shall mean, with respect to any Local Unit, the fraction the numerator of which is the Outstanding principal amount of Bonds of the Series attributable to such Local Unit and the denominator of which is the Outstanding principal amount of Bonds of all Series issued simultaneously with the Series of Bonds attributable to such Local Unit.

"Authority Pooled Program Bondholder", "Holder of Authority Pooled Program Bonds", "Holder" or "holder" shall mean the registered owner of any Authority Pooled Program Bond or Authority Pooled Program Bonds.

"Authority Bond Loan Repayments" means the repayments of the principal amount of the Loan, plus the payment of any premium associated with prepaying the principal amount of the Loan, plus the Interest Portion.

"Authorized Newspapers" shall mean (a) one newspaper that is customarily published and generally circulated at least once in each calendar week in the County, and (b) one newspaper which is customarily circulated in the Borough of Manhattan, City and State of New York, at least once a day for a least five days (other than legal holidays) in each calendar week, each of which newspapers is printed in the English language; *provided, however*, that with respect to the redemption of Authority Pooled Program Bonds, "Authorized Newspapers" shall refer only to the newspaper that is described in (b) of this definition.

"Authorized Officer" or "Authorized Representative" shall mean, (1) with respect to the Authority: the Chairman, the Vice Chairman, the Treasurer or the Secretary of the Authority and, when used with reference to an act or document, also means any other person who shall be authorized by resolution or the by-laws of the Authority to perform such act or to execute such document or any other person or persons who shall be authorized by resolution of the Authority to act on behalf of the Authority or by a written certificate duly executed on behalf of the Authority by the Chairman or by the Chairman of the Authority, which certificate shall set forth such authorization and shall contain the specimen signatures of each such person; (2) with respect to any Local Unit: the person designated as an Authorized Officer in the applicable Lease Agreement or Local Unit Bonds of any such Local Unit or any other person or persons who shall be authorized to act on behalf of such Local Unit by virtue of a resolution, which resolution shall set forth such authorization; (3) with respect to the Pooled Trustee: any officer of the Pooled Trustee authorized by the Pooled Trustee to act or execute documents on behalf of the Pooled Trustee; (4) with respect to the Privately Placed Trustee: any officer of the Privately Placed Trustee authorized by the Privately Placed Trustee to act or execute documents on behalf of the Privately Placed Trustee; and (5) with respect to the County in any capacity other than clause (2) above: the County Administrator of the County and, when used with reference to an act or document, also means any other person who shall be authorized by State statute, resolution, by-laws or Administrative Code of the County to perform such act or to execute such document or any other person or persons who shall be authorized by resolution of the Board of Chosen Freeholders to act on behalf of the County or by a written certificate duly executed on behalf of the County by the County Administrator of the County, which certificate shall set forth such authorization and shall contain the specimen signatures of each such person.

"Basic Lease Payment Date" shall have the meaning ascribed to such term in the Lease Revenue Bond Resolution.

"Basic Lease Payment" shall have the meaning ascribed to such term in the Lease Revenue Bond Resolution.

"Board" shall mean the governing body of the Authority or, if said Board shall be abolished, the board, body, commission or agency succeeding to the principal functions thereof or to whom the powers and duties granted or imposed by this Pooled Program Bond Resolution shall be given by law.

"Bond" or "Bonds" shall mean any of the Bonds of any Series issued pursuant to the terms of this Pooled Program Bond Resolution, including the Authority Pooled Program Bonds and any Additional Bonds, or any Bonds that are thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Section 4.06 or 11.10 hereof.

"Bond Counsel" shall mean any attorney at law, or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exclusion of interest on bonds or other obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state.

"Bond Proceeds Fund" shall mean the Fund so designated and established by Article V of this Pooled Program Bond Resolution.

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement by and between the Authority and the Underwriters, dated as of the date of sale of the Authority Pooled Program Bonds, to be entered into in connection with the issuance and delivery of the Authority Pooled Program Bonds.

"Bond Year" shall mean with respect to the Authority Pooled Program Bonds, a period of 12 consecutive months beginning on February 1 of any calendar year and ending on January 31 of the immediately succeeding calendar year, except that the first Bond Year shall be a period commencing on the respective dates of issuance of such Series of Bonds hereunder and ending on January 31 of the immediately succeeding calendar year.

"Bondholder", "Holder" or "Holder of Bonds" shall mean the registered owner of any Bond or Bonds.

"Borough of Chester Administrative Expense Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"Borough of Chester Interest Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"Borough of Chester Principal Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"Borough of Chester Trust Estate" shall mean all right, title and interest of the Authority in, to and under (i) the Revenues applicable to the Borough of Chester, (ii) all moneys and securities held in any Funds, Accounts or Subaccounts established hereunder with respect to the Borough of Chester Bonds that are designated with the prefix of the Borough of Chester (except for moneys or securities held in the Administrative Expense Account, but only to the extent such moneys represent the Administrative Fee), (iii) the Borough of Chester's Allocable Share of all moneys and securities held in any other Funds, Accounts or Subaccounts established hereunder with respect to the Borough of Chester Bonds (except for the Rebate Fund), (iv) any moneys or securities to be set aside pursuant to the terms of this Pooled Program Bond Resolution, which unless otherwise stated herein shall be set aside for the Borough of Chester in the amount of its Allocable Share, and (vi) the Borough of Chester Bonds.

"Borough of Rockaway Administrative Expense Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"Borough of Rockaway Interest Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"Borough of Rockaway Principal Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"Borough of Rockaway Trust Estate" shall mean all right, title and interest of the Authority in, to and under (i) the Revenues applicable to the Borough of Rockaway, (ii) all moneys and securities held in any Funds, Accounts or Subaccounts established hereunder with respect to the Borough of Rockaway Bonds that are designated with the prefix of the Borough of Rockaway (except for moneys or securities held in the Administrative Expense Account, but only to the extent such moneys represent the Administrative Fee), (iii) the Borough of Rockaway's Allocable Share of all moneys and securities held in any other Funds, Accounts or Subaccounts established hereunder with respect to the Borough of Rockaway Bonds (except for the Rebate Fund), (iv) any moneys or securities to be set aside pursuant to the terms of this Pooled Program Bond Resolution, which unless otherwise stated herein shall be set aside for the Borough of Rockaway in the amount of its Allocable Share, and (vi) the Borough of Rockaway Bonds.

"Business Day" shall mean any day other than (i) a Saturday, Sunday or legal holiday or a day on which banking institutions in the city in which the Principal Office of the Privately Placed Trustee or the Pooled Trustee is located, are closed, or (ii) a day on which the New York Stock Exchange is closed.

"Certificate" shall mean a written certificate signed in the name of the Authority, any Local Unit, the County, the Privately Placed Trustee or the Pooled Trustee. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the instruments so combined shall be read and construed as a single instrument.

"Code" shall mean the Internal Revenue Code of 1986, as the same may from time to time be amended or supplemented, including any regulations or judicial interpretations thereof.

"Cost" shall mean and be deemed to include, with respect to any Project, but on a *pro rata* basis with respect thereto, together with any other proper item of cost not specifically mentioned herein, whether incurred prior to or after the date of the applicable Project Agreements, (a) costs of payment of, or reimbursement for, the acquisition, construction, renovation or installation and financing of such Project, including, but not limited to, advances, deposits, down payments or progress payments, installation costs, administrative costs and capital expenditures relating to the installation, financing payments, sales taxes, excise taxes, costs of feasibility, environmental and other reports, inspection costs, permit fees, filing and recording costs, printing costs, reproduction and binding costs, fees and charges of the Privately Placed Trustee and the Pooled Trustee pursuant to the Lease Revenue Bond Resolution, this Pooled Program Bond Resolution, the County Guaranty, the Project Agreements, legal fees and charges, financial, accounting and other professional consultant fees, costs of rating agencies or credit ratings, fees for the printing, execution, transportation and safekeeping of the Privately Placed Bonds and the Authority Pooled Program Bonds and charges and fees in connection with the foregoing; (b) all other costs that the Local Units or the Authority shall be required to pay under the terms of any contract or contracts for the acquisition, construction, renovation or installation of any Project, including, but not limited to, the cost of insurance; (c) any sums required to reimburse the Local Units for advances made

for any of the above items, or for any other costs incurred and for work done, which is properly chargeable to any Project thereof; (d) deposits in any Fund or Account under the Lease Revenue Bond Resolution or this Pooled Program Bond Resolution, all as shall be provided in the Lease Revenue Bond Resolution or this Pooled Program Bond Resolution; and (e) such other expenses not specified herein as may be necessary or incidental to the acquisition, construction, renovation or installation of any Project, the financing thereof and the placing of the same in use and operation. Cost as defined herein shall be deemed to include the costs and expenses incurred by any agent of the Local Units for any of the above mentioned items.

"Costs of Issuance Account" shall mean the Account within the Bond Proceeds Fund so designated and established by Article V hereof.

"Costs of Issuance" shall mean all items of expense directly or indirectly payable by or reimbursable to the Local Unit and/or the Authority and related to the authorization, execution, sale and delivery of the Privately Placed Bonds and the Authority Pooled Program Bonds, including, but not limited to, bond insurance costs, rating agency fees, advertising and printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Privately Placed Trustee, the Pooled Trustee and the Authority, the fees to be paid to the underwriters of a particular Series of Privately Placed Bonds or Authority Pooled Program Bonds, legal fees of parties to the transaction and initial charges, and all other initial fees and disbursements contemplated by the Project Agreements.

"Counsel" shall mean an attorney at law or firm of attorneys at law (who may be, without limitation, of counsel to, or an employee of, the Privately Placed Trustee or the Paying Agent) duly admitted to practice law before the highest court of any state.

"County Chapter 12 Administrative Expense Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"County Chapter 12 Interest Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"County Chapter 12 Principal Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"County Chapter 12 Trust Estate" shall mean all right, title and interest of the Authority in, to and under (i) the Revenues applicable to the County Chapter 12, (ii) all moneys and securities held in any Funds, Accounts or Subaccounts established hereunder with respect to the County Chapter 12 Bonds that are designated with the prefix of the County Chapter 12 (except for moneys or securities held in the Administrative Expense Account, but only to the extent such moneys represent the Administrative Fee), (iii) the County Chapter 12's Allocable Share of all moneys and securities held in any other Funds, Accounts or Subaccounts established hereunder with respect to the County Chapter 12 Bonds (except for the Rebate Fund), (iv) any moneys or securities to be set aside pursuant to the terms of this Pooled Program Bond Resolution, which unless otherwise stated herein shall be set aside for the County Chapter 12 in the amount of its Allocable Share, and (vi) the County Chapter 12 Bonds.

"County Trust Estate" shall mean all right, title and interest of the Authority in, to and under (i) the Revenues applicable to the County, (ii) all moneys and securities held in any Funds, Accounts or Subaccounts established hereunder with respect to the Series 2020 Lease Revenue Bonds or any Additional Bonds that are designated with the prefix of the County (except for moneys or securities held in the Administrative Expense Account, but only to the extent such moneys represent the Administrative

Fee), (iii) the County's Allocable Share of all moneys and securities held in any other Funds, Accounts or Subaccounts established hereunder with respect to the Series 2020 Lease Revenue Bonds or any Additional Bonds (except for the Rebate Fund), (iv) any moneys or securities to be set aside pursuant to the terms of the Lease Revenue Bond Resolution, which unless otherwise stated herein, shall be set aside for the County in the amount of its Allocable Share, and (v) the Lease Agreement applicable to the County (but none of its obligations under such Lease Agreement, and also excluding the Reserved Rights against the County), including, without limitation, all rental payments and other amounts required to be paid by the County thereunder and under any other documents in connection with such Lease Agreement.

"Debt Service Fund" means the Fund so designated and established by Article V hereof.

"Default" shall mean an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, become an Event of Default with respect to the Privately Placed Bonds.

"DTC" shall mean The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York.

"Event of Default" shall mean any occurrence or event designated as such in Section 9.01 hereof.

"Fiduciary" or "Fiduciaries" shall mean the Pooled Trustee or the Paying Agent hereunder, or both of them, as may be appropriate.

"Funds" shall mean any of the funds established by Article V hereof.

"General Fund" shall mean the Fund so designated and established by Article V hereof.

"Interest Account" shall mean the Account within the Debt Service Fund so designated and established by Article V hereof.

"Interest on the Loan" means the sum of (i) the Interest Portion, (ii) any Administrative Expenses and (iii) any other payments by the Local Unit, except for Authority Bond Loan Repayments and the payments set forth in clauses (ii) and (iii) above required hereunder.

"Interest Payment Date" shall mean the date on which interest on the Authority Pooled Program Bonds is required to be paid to the Authority Pooled Program Bondholders thereof, being the 1st day of each February and August until final maturity of such Series of Authority Pooled Program Bonds, which shall constitute a regularly scheduled Interest Payment Date, or the date of any redemption of the Authority Pooled Program Bonds or any Series thereof.

"Interest Portion" shall mean, with respect to Basic Lease Payments or Authority Bond Loan Repayments, as the case may be, by a Local Unit, the interest due and owing on such Local Unit's applicable Privately Placed Bonds on the immediately succeeding Interest Payment Date thereof, less any credits and reductions as contemplated by the applicable Lease Agreement or Local Unit Bonds.

"Investment Securities" means any obligations authorized from time to time as permissible investments for county improvement authorities under New Jersey law or as may be determined by Supplemental Resolution or Certificate of an Authorized Officer of the Authority.

"Lease Agreement" shall mean the "Property and Infrastructure Lease Purchase Agreement", dated as of August 1, 2011, by and between the Authority and the County, as heretofore amended and supplemented.

"Lease Payments" shall have the meaning ascribed to such term in the Lease Revenue Bond Resolution.

"Loan" means the loan made by the Authority to each Local Unit pursuant to the Lease Agreement or the Local Unit Bond, as applicable, and repaid to the Authority as Loan Repayments.

"Loan Repayments" means the sum of the following payments to be made by or on behalf of any Local Unit in connection with its Loan: (i) payment by the Local Unit of Authority Bond Loan Repayments when due, which includes the Interest Portion, and (ii) payments of Interest on the Loan other than the Interest Portion, which includes any Administrative Expenses, any charges incurred under its Project Agreement and any other amounts not otherwise set forth in clauses (i) and (ii) above and payable by the Local Unit pursuant to its Project Agreement.

"Local Unit Revenue Account" shall have the meaning ascribed to such term in the Lease Revenue Bond Resolution.

"Outstanding" or "outstanding" shall mean, when used with reference to Authority Pooled Program Bonds of any Series, as of any particular date (subject to the provisions of Section 13.08 hereof), all Authority Pooled Program Bonds of such Series theretofore, or thereupon being, authenticated and delivered by the Pooled Trustee under this Pooled Program Bond Resolution, except (i) Authority Pooled Program Bonds of such Series theretofore or thereupon canceled by the Pooled Trustee or surrendered to the Pooled Trustee for cancellation; (ii) Authority Pooled Program Bonds of such Series with respect to which all liability of the Authority shall have been discharged in accordance with Article XII; and (iii) Authority Pooled Program Bonds of such Series in lieu of or in substitution for which other Authority Pooled Program Bonds of such Series shall have been authenticated and delivered by the Pooled Trustee pursuant to any provision of this Pooled Program Bond Resolution.

"Overdue Rate" shall mean the lesser of: (a) the greater of (i) the per annum rate of interest publicly announced from time to time by JPMorgan Chase Bank, at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Authority Pooled Program Bonds; and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates.

"Owner" shall mean the registered owner of an Authority Pooled Program Bond as shown on the register kept by the Pooled Trustee pursuant to Section 3.04 of this Pooled Program Bond Resolution.

"Paying Agent" means the Paying Agent appointed pursuant to Section 10.02 hereof, and its successors.

"Pooled Program Trust Estate" shall mean (i) the principal and redemption premium, if any, of and interest or other investment earnings received or to be received on any moneys or securities, including, without limitation, the Privately Placed Bonds, invested or held in any Funds or Accounts established hereunder with respect to the Authority Pooled Program Bonds (except for the Rebate Fund and the Administrative Expense Account), (ii) all moneys payable under the County Guaranty, but solely as it relates to the Authority Pooled Program Bonds, (iii) any other amounts received from any other

source by the Authority and pledged by the Authority as security for the payment of the Authority Pooled Program Bonds, (iv) the County Trust Estate, (v) the County Chapter 12 Trust Estate, (vi) the Borough of Chester Trust Estate, (vii) the Borough of Rockaway Trust Estate, and (viii) the Town of Newton Trust Estate.

"Principal Account" shall mean the Account within the Debt Service Fund so designated and established by Article V of this Pooled Program Bond Resolution.

"Principal Office" shall mean, when used with reference to the Authority, the Pooled Trustee or the Paying Agent, the respective addresses of such parties as set forth in Section 13.07 hereof, and any further or different addresses as such parties may designate pursuant to Section 13.07 hereof.

"Principal Payment Date" shall mean the date on which principal on the Authority Pooled Program Bonds is required to be paid to the Authority Pooled Program Bondholders thereof, being the first day of each February until final maturity of such Series of Authority Pooled Program Bonds, which shall constitute a regularly scheduled Principal Payment Date, or the date of any redemption of the Authority Pooled Program Bonds or any Series thereof.

"Principal Portion" shall mean, with respect to Basic Lease Payments or Authority Bond Loan Repayments, each Local Unit's applicable share of principal of the applicable Series of Bonds due and owing on the immediately succeeding Principal Payment Date (as defined in the Lease Revenue Bond Resolution) of such applicable Series of Privately Placed Bonds, less any credits as contemplated by the applicable Project Agreement.

"Privately Placed Trustee" shall mean the Trustee appointed pursuant to Section 10.01 of the Lease Revenue Bond Resolution, and its successor or successors and any other corporation that may at any time be substituted in its place pursuant to the provisions of the Lease Revenue Bond Resolution.

"Proceeds" shall mean the aggregate moneys paid by the initial purchasers of the Authority Pooled Program Bonds to the Pooled Trustee, including any accrued interest on the Authority Pooled Program Bonds, which may be net of any applicable underwriter's discount with respect to the Authority Pooled Program Bonds.

"Project Agreement" shall mean any or all, as the case may be, of the Lease Agreement or the Local Unit Bonds.

"Purchase Account" shall mean shall mean the Account within the Bond Proceeds Fund so designated and established by Article V of this Pooled Program Bond Resolution.

"Rating Agency" shall mean, individually or collectively, as the case may be, Moody's Investors Service, Inc. or any other nationally recognized rating agency that has rated the Bonds or any Series of Additional Bonds, which rating was sought and/or purchased by the Authority.

"Rebate Fund" shall mean the Fund so designated and established by Article V hereof.

"Record Date" shall mean with respect to an Interest Payment Date for a particular Series of Authority Pooled Program Bonds, unless otherwise provided by this Pooled Program Bond Resolution or a Supplemental Resolution authorizing such Series, the first day (whether or not such day shall be a Business Day) of the month preceding such Interest Payment Date.



"Redemption Price" shall mean, when used with reference to any Authority Pooled Program Bond or any portion thereof, the principal amount of such Authority Pooled Program Bond or such portion thereof and any premium thereon payable upon redemption thereof pursuant to the provisions of such Authority Pooled Program Bond and this Pooled Program Bond Resolution.

"Reserved Rights" shall mean, with respect to any particular Local Unit, the Authority's right to (i) receive the additional payments representing Administrative Fees payable by such Local Unit and amounts payable thereunder at the Overdue Rate, (ii) receive notices provided for in such Lease Agreement or Local Unit Bond, (iii) appoint, replace or remove such parties as shall be appointed, replaced or removed under such Lease Agreement, the Local Unit Bond, the County Guaranty, the Lease Revenue Bond Resolution and this Pooled Program Bond Resolution at the direction of the Authority, and (iv) the right to give or withhold consents permitted or required of the Authority under such Lease Agreement, the Local Unit Bond, the County Guaranty, the Lease Revenue Bond Resolution and this Pooled Program Bond Resolution and to consent to or withhold consent to amendments to such Lease Agreement, the Local Unit Bond, the County Guaranty, the Lease Revenue Bond Resolution and this Pooled Program Bond Resolution to the extent that any such consent or amendment would diminish the rights or enlarge the responsibilities or adversely affect the ability of the Authority to realize or perform same, respectively, or that would increase the Authority's potential liability or exposure to any party to such documents or to any third-party as a result thereof.

"Revenue Fund" shall mean the Fund so designated and established by Article V of the Lease Revenue Bond Resolution.

"Revenues" shall mean, with respect to any particular Local Unit, all (i) Authority Pooled Bond Loan Repayments and Lease Payments applicable to such Local Unit, (ii) any investment income derived from the investment of any funds held by the Pooled Trustee pursuant to the terms of this Pooled Program Bond Resolution that are deposited in the Funds, Accounts and Subaccounts established hereunder that are designated by the prefix of such Local Unit, and (iii) any particular Local Unit's Allocable Share of any investment income derived from the investment of any funds held by the Pooled Trustee pursuant to the terms of this Pooled Program Bond Resolution that are deposited in the other Funds, Accounts and Subaccounts established hereunder that are not designated with the prefix of any Local Unit, except that Revenues shall not include any moneys or securities deposited in the Rebate Fund and shall not include moneys or securities held in the Administrative Expense Account, but only to the extent such moneys represent the Administrative Fee.

"Series" shall mean all of the Authority Pooled Program Bonds authenticated and delivered on original issuance and identified pursuant to this Pooled Program Bond Resolution or any Supplemental Resolution authorizing such Authority Pooled Program Bonds as a separate Series of Authority Pooled Program Bonds, and any Authority Pooled Program Bonds thereafter authenticated and delivered in lieu of or in substitution for such Authority Pooled Program Bonds pursuant to Article III or Sections 4.07 or 11.10 hereof, regardless of variations in maturity, interest rate or other provisions.

"Subaccounts" shall mean any subaccount established in any of the Accounts established by Article V of the Lease Revenue Bond Resolution.

"Supplemental Resolution" shall mean the certificate or certificates of an Authorized Officer of the Authority referred to in Section 2.02(1)(e) hereof or any resolution or resolutions of the Authority amending, modifying or supplementing this Pooled Program Bond Resolution, authorizing the issuance of a Series of Authority Pooled Program Bonds or any other Supplemental Resolution adopted by the Authority pursuant to the provisions of this Pooled Program Bond Resolution.

"Tax Certificate" means, with respect to any Series of Authority Pooled Program Bonds that are issued as Tax-Exempt Bonds, the Arbitrage and Tax Certificate executed and delivered by an Authorized Officer of the Authority on the date of issuance of such Series of Authority Pooled Program Bonds, as the same may be supplemented and amended from time to time.

"Tax-Exempt Bonds" shall mean the Series 2020A Pooled Program Bonds and any Series of Additional Bonds with respect to which an opinion of Bond Counsel is delivered to the effect that interest on such Series of Bonds is excluded from gross income pursuant to Section 103 of the Code.

"Taxable Bonds" shall mean the Series 2020B Pooled Program Bonds and any Series of Additional Bonds with respect to which an opinion of Bond Counsel is delivered to the effect that interest on such Series of Bonds is not excluded from gross income pursuant to Section 103 of the Code.

"Town of Newton Administrative Expense Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"Town of Newton Interest Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"Town of Newton Principal Subaccount" shall mean the Subaccount so designated and established by Article V hereof.

"Town of Newton Trust Estate" shall mean all right, title and interest of the Authority in, to and under (i) the Revenues applicable to the Town of Newton, (ii) all moneys and securities held in any Funds, Accounts or Subaccounts established hereunder with respect to the Town of Newton Bonds that are designated with the prefix of the Town of Newton (except for moneys or securities held in the Administrative Expense Account, but only to the extent such moneys represent the Administrative Fee), (iii) the Town of Newton's Allocable Share of all moneys and securities held in any other Funds, Accounts or Subaccounts established hereunder with respect to the Town of Newton Bonds (except for the Rebate Fund), (iv) any moneys or securities to be set aside pursuant to the terms of this Pooled Program Bond Resolution, which unless otherwise stated herein shall be set aside for the Town of Newton in the amount of its Allocable Share, and (vi) the Town of Newton Bonds.

"Trust Estate" shall mean any of, as applicable, or collectively, as the case may be, the Pooled Program Trust Estate or any other trust estate established under a supplemental bond resolution.

"Underwriters" means such underwriter or underwriters as determined by the Certificate of an Authorized Officer of the Authority referred to in Section 2.02(1)(e) hereof.

**SECTION 1.02. Rules of Interpretation.** For all purposes of this Pooled Program Bond Resolution, except as otherwise expressly provided or unless the context otherwise requires:

(a) "This Pooled Program Bond Resolution" means this instrument as originally adopted and as it may be supplemented, modified or amended from time to time by any Supplemental Resolution, unless in the case of any one or more Supplemental Resolutions the context requires otherwise.

(b) All reference in this Pooled Program Bond Resolution to designated Articles, Sections and other subdivisions are to the designated Articles, Sections and other subdivisions of this Pooled Program Bond Resolution. The words "herein", "hereof", "hereunder" and "herewith" and other words of

similar import refer to this Pooled Program Bond Resolution as a whole and not to any particular Article, Section or other subdivision hereof.

(c) The terms defined in this Pooled Program Bond Resolution include the plural as well as the singular.

(d) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(e) The table of contents and the headings or captions used in this Pooled Program Bond Resolution are for convenience of reference only and shall not define, limit or prescribe any of the provisions hereof or the scope or intent hereof.

**SECTION 1.03. Authority for Pooled Program Bond Resolution.** This Pooled Program Bond Resolution is adopted pursuant to the provisions of the Act and constitutes a resolution authorizing bonds pursuant to the Act.

**SECTION 1.04. Pooled Program Bond Resolution and Authority Pooled Program Bonds Constitute Contract; Pledge of Trust Estate.** With respect to the Authority Pooled Program Bonds, in consideration of the purchase and acceptance of any and all of the Authority Pooled Program Bonds authorized to be issued under this Pooled Program Bond Resolution by those who shall hold the same from time to time: (i) this Pooled Program Bond Resolution shall be deemed to be and shall constitute a contract among the Authority, the Pooled Trustee and the Authority Pooled Program Bondholders, from time to time; (ii) the respective pledges made herein to the Pooled Trustee shall in every respect be subordinate to the respective pledges made herein to the Pooled Trustee for the benefit of the Authority Pooled Program Bondholders of each Series of the Authority Pooled Program Bonds, except that Authority Pooled Program Bondholders shall have no interest in and shall not be secured by the Rebate Fund; (iii) the respective pledges made herein for the benefit of the Authority Pooled Program Bondholders of a Series of Bonds shall be for the equal and ratable benefit, protection and security of the Authority Pooled Program Bondholders of each such Series of Authority Pooled Program Bonds, all of the Authority Pooled Program Bonds in such Series, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority of such Series or distinction as to lien or otherwise, except as expressly provided in or permitted hereby; (iv) the duties, covenants, obligations and agreements set forth herein to be observed and performed by or on behalf of the Authority shall be for the equal and ratable benefit, protection and security of the Authority Pooled Program Bondholders of all of the Authority Pooled Program Bonds of such Series; (v) the Authority, as security for the payment of the principal and Redemption Price, if any, of and the interest on the Authority Pooled Program Bonds and as security for the observance and performance of any other duty, covenant, obligation or agreement of the Authority under this Pooled Program Bond Resolution relating to the Authority Pooled Program Bonds, all in accordance with the provisions thereof and hereof, does hereby grant a security interest in and further does grant, bargain, sell, convey, pledge, assign and confirm to the Pooled Trustee for the benefit of the Owners of the Authority Pooled Program Bonds the Pooled Program Trust Estate; (vi) the pledges made hereby are valid and binding from the time when the pledges are made and the respective Trust Estates shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act and regardless of whether held by the Pooled Trustee, and the lien of such pledges shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof; and (vii) the Authority Pooled Program Bonds shall be limited, special obligations of the Authority payable solely from and secured by a pledge of the Pooled Program Trust Estate as provided hereby.

## ARTICLE II

### AUTHORIZATION AND ISSUANCE OF AUTHORITY POOLED PROGRAM BONDS

#### **SECTION 2.01. Authorization of Authority Pooled Program Bonds; Designation of Authority Pooled Program Bonds.**

1. This Pooled Program Bond Resolution authorizes Authority Pooled Program Bonds of the Authority to be designated as "County of Morris Guaranteed Pooled Program Bonds, Series 2020", which may be issued in accordance with Section 2.03 hereof.

2. Neither the State, the Local Units nor any political subdivision thereof, other than the Authority (but solely to the extent of the Trust Estate) and other than the County (except to the extent of the County Guaranty and the Lease Payments), is obligated to pay the principal or Redemption Price of, or interest on, the Authority Pooled Program Bonds, and neither the full faith and credit nor the taxing power of the State, the Local Units nor any political subdivision thereof other than the County (except to the extent of the County Guaranty and the Lease Payments), including the Authority (which has no taxing power) is pledged to the payment of the principal or Redemption Price of, or interest on, the Authority Pooled Program Bonds.

#### **SECTION 2.02. General Provisions for Issuance of Authority Pooled Program Bonds.**

1. All (but not less than all) of the Authority Pooled Program Bonds authorized hereby shall be executed by the Authority in accordance with Section 3.03 hereof for issuance under this Pooled Program Bond Resolution. All of the Authority Pooled Program Bonds shall also contain an executed designation by the County of the County Guaranty in the forms set forth in Article XIV hereof. Thereupon, all (but not less than all) of the fully executed Authority Pooled Program Bonds shall also contain the executed designation of the County Guaranty, shall be delivered to the Pooled Trustee and shall be authenticated by the Pooled Trustee and by it delivered to the Authority or upon its order, but only upon the receipt by the Pooled Trustee of:

(a) A copy of this Pooled Program Bond Resolution, certified by an Authorized Officer of the Authority.

(b) In the case of each Series of Additional Bonds, a copy of the Supplemental Resolution authorizing such Additional Bonds, certified by an Authorized Officer of the Authority, which shall, among other provisions, specify: (i) the authorized principal amount, designation and Series of such Additional Bonds; (ii) the purposes for which such Series of Additional Bonds is being issued, which shall be one of the purposes set forth in Section 2.04 hereof; (iii) the date and the maturity date or dates of the Additional Bonds of such Series; (iv) the interest rate or rates of the Additional Bonds of such Series and the initial Interest Payment Date thereof, provided that the interest rate shall be identical for all such Additional Bonds of like maturity; (v) the denominations of, and the manner of dating, numbering and lettering, the Additional Bonds of such Series, provided that such Additional Bonds shall be in denominations of \$5,000 or any integral multiple in excess thereof as authorized by such Supplemental Resolution; (vi) the Paying Agent or Paying Agents and the place or places of payment of the principal and Redemption Price, if any, of and interest on the Additional Bonds of such Series; (vii) the Redemption Price or Prices, if any, and, subject to Article IV, the redemption terms for the Additional Bonds of such Series; (viii) the amount and due date of each sinking fund installment, if any, for Additional Bonds of like maturity of such Series; (ix) the form of the

Additional Bonds of such Series and of the trustee's certificate of authentication, which shall be substantially in the form set forth in Section 14.01 for the Authority Pooled Program Bonds, with such variations, insertions or omissions as are appropriate and not inconsistent therewith; and (x) the provisions for the application of proceeds of such Series of Additional Bonds.

(c) An opinion of Bond Counsel to the effect that (i) the Authority has the right and power under the Act, as amended to the date of such opinion, to adopt this Pooled Program Bond Resolution, and this Pooled Program Bond Resolution has been duly and lawfully adopted by the Authority, is in full force and effect and constitutes the valid and binding agreement of the Authority enforceable in accordance with its terms, and no other authorization for this Pooled Program Bond Resolution is required; (ii) this Pooled Program Bond Resolution creates the valid pledge that it purports to create of the Trust Estate, subject only to the provisions of this Pooled Program Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in this Pooled Program Bond Resolution; and (iii) the Authority is duly authorized and entitled to issue the Authority Pooled Program Bonds and such Authority Pooled Program Bonds have been duly and validly authorized and issued by the Authority, in accordance with law, including the Act, as amended to the date of such opinion, and in accordance with this Pooled Program Bond Resolution, and constitute the valid and binding obligations of the Authority as provided in this Pooled Program Bond Resolution, enforceable in accordance with their terms and the terms of this Pooled Program Bond Resolution, and are entitled to the benefits of the Act, as amended to the date of such opinion, and this Pooled Program Bond Resolution. Such opinion may take exception as to the effect of, or for restrictions or limitations imposed by or resulting from, bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws affecting creditors' rights generally and judicial discretion and may state that no opinion is being rendered as to the availability of any particular remedy.

(d) A written order to the Pooled Trustee as to the delivery of such Authority Pooled Program Bonds, signed by an Authorized Officer of the Authority.

(e) Pursuant to and in accordance with the provisions of N.J.S.A. 40:37A-60 and the terms of this Pooled Program Bond Resolution, the Authority hereby determines that any Authorized Officer of the Authority is hereby designated as the individual who shall have the power to sell and award the Authority Pooled Program Bonds on behalf of the Authority to the Underwriters, in accordance with the terms of a Certificate of an Authorized Officer of the Authority and subject to the parameters set forth herein, including the power to determine, among other things, (a) the amount of Authority Pooled Program Bonds to be issued, in an amount not to exceed the amount set forth in Section 2.03 hereof, which are authorized to be issued pursuant to the terms of Sections 2.01 and 2.03 hereof, (b) the time and manner of sale of the Authority Pooled Program Bonds, (c) the maturity or maturities of the Authority Pooled Program Bonds and the provisions pertaining to redemptions thereof and/or sinking funds established therefor, (d) the rate or rates of interest for the Authority Pooled Program Bonds, (e) the Administrative Fee payable to the Authority, and (f) such other terms and conditions as may be necessary or related to the sale of the Authority Pooled Program Bonds. The Authorized Officer of the Authority is hereby authorized to award the Authority Pooled Program Bonds to the Underwriters. Such award shall be evidenced by the execution of a Certificate of an Authorized Officer of the Authority. Such Certificate of an Authorized Officer of the Authority shall determine the terms and conditions relating to the sale of the Authority Pooled Program Bonds, including the rate or rates of interest to be borne by the Authority Pooled Program Bonds and the Underwriters' discount, if any, which is payable to the Underwriters in connection with the sale of the Authority Pooled Program Bonds; *provided, however*, that (i) the maximum maturity of the Bonds will not

exceed 30 years; (ii) without further authorization of the Authority, the rate or rates of interest (or the net interest cost) to be borne by the Authority Pooled Program Bonds shall not exceed six percent (6.00%) per annum; (iii) the Underwriters' discount for the Authority Pooled Program Bonds shall not exceed \$6.00 per \$1,000 principal amount of the Authority Pooled Program Bonds; and (iv) the rate or rates of interest (or the net interest cost) on the Authority Pooled Program Bonds and the Underwriters' discount for the Authority Pooled Program Bonds may exceed the amounts set forth herein if such greater rate or rates of interest or such greater Underwriters' discount is approved, prior to the award and sale of the Authority Pooled Program Bonds, by a resolution duly adopted by the Authority. Such Certificate of an Authorized Officer of the Authority shall contain such other terms and conditions as shall be deemed to be necessary in connection with the sale of the Authority Pooled Program Bonds.

(f) A copy of evidence of the publication of an estoppel notice required pursuant to N.J.S.A. 40:37A-62 relating to this Pooled Program Bond Resolution and any Supplemental Resolution, as applicable, which estoppel notice shall be published by any Authorized Officer hereby authorized for such purposes or, in the alternative, by Bond Counsel, hereby also authorized for such purpose.

(g) Such further documents, moneys and securities as are required by the provisions of any Supplemental Resolution adopted pursuant to Article XI hereof.

2. All the Authority Pooled Program Bonds of like maturity shall be identical in all respects, except as to denominations, numbers and letters. After the original issuance of Authority Pooled Program Bonds of any Series, no Authority Pooled Program Bonds of such Series shall be issued except in lieu of or in substitution for other Authority Pooled Program Bonds of such Series pursuant to Article III or Sections 4.07 or 11.10 hereof.

### **SECTION 2.03. Authority Pooled Program Bonds.**

1. The Authority Pooled Program Bonds shall be issued to provide for the cost of the Project in an aggregate principal amount not to exceed \$36,000,000, of which \$10,800,000 shall be issued as Tax-Exempt Bonds and \$25,200,000 shall be issued as Taxable Bonds. The Tax-Exempt Bonds shall be entitled "County of Morris Guaranteed Pooled Program Bonds, Series 2020A" or such other year to reflect the year in which issued and with such other series designation as may be appropriate. The Taxable Bonds shall be entitled "County of Morris Guaranteed Pooled Program Bonds, Series 2020B (Federally Taxable)" or such other year to reflect the year in which issued and with such other series designation as may be appropriate. The Authority Pooled Program Bonds shall be dated, shall bear interest at such rate or rates per annum and shall mature as may be fixed by the Certificate of an Authorized Officer of the Authority referred to in Section 2.02(1)(e) hereof executed prior to their authentication and delivery. Such Certificate may contain any other terms and provisions of the Authority Pooled Program Bonds not fixed by this Resolution. The Authority Pooled Program Bonds shall be payable as to principal or Redemption Price at the principal corporate trust office of the Paying Agent. Interest on the Authority Pooled Program Bonds shall be payable in accordance with the provisions of this Section 2.03. The Authority Pooled Program Bonds shall be subject to redemption prior to their respective maturities to the extent, in the order, at the times, by the terms, at such Redemption Price and subject to all other terms, conditions and provisions in conformity with Article IV hereof as shall be specified and determined by the Certificate of an Authorized Officer of the Authority referred to in Section 2.02(1)(e) hereof executed prior to their authentication and delivery.

2. The Authority Pooled Program Bonds shall be issued in the denomination of one certificate for the aggregate principal amount of each maturity for each Series of Authority Pooled Program Bonds. Purchases of the Authority Pooled Program Bonds will be made initially in book-entry-only form (without certificates) in denominations of \$5,000 or any integral multiple of \$5,000 in excess thereof. Subject to the provisions of this Pooled Program Bond Resolution, the form of the Authority Pooled Program Bonds and the Pooled Trustee's certificate of authentication shall be substantially in the form set forth in Section 14.01 hereof.

3. The principal of the Authority Pooled Program Bonds shall be payable to the Holders thereof upon the surrender thereof at the principal corporate trust office of U.S. Bank National Association, Edison, New Jersey, as Paying Agent. The principal of all Authority Pooled Program Bonds shall also be payable at any other place that may be provided for such payment by the appointment of any other Paying Agent or Paying Agents as permitted by this Pooled Program Bond Resolution. Interest on the Authority Pooled Program Bonds shall be payable by check of the Paying Agent mailed or transmitted, respectively, to the Holders thereof as the same appear as of the Record Date on the books of the Authority maintained by the Pooled Trustee. However, so long as the Authority Pooled Program Bonds are held in book-entry form pursuant to Section 2.06 hereof, the provisions of Section 2.06, to the extent inconsistent herewith, shall govern the payment of principal of and interest on the Authority Pooled Program Bonds.

4. Upon the authentication and delivery of each Series of the Authority Pooled Program Bonds, the Authority shall furnish to the Pooled Trustee:

(a) a Certificate of the Chairman, Executive Director or other Authorized Officer of the Authority relating to the Tax-Exempt Bonds, pursuant to Section 148 of the Code, setting forth the expectations of the Authority on the date of such authentication and delivery as to future events and such certification shall set forth the facts and estimates on which such expectations are based and shall state that, to the best of the knowledge and belief of such officer of the Authority, the Authority's expectations are reasonable;

(b) an opinion of Bond Counsel to the effect that, under existing law, (i) interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes and (ii) interest on the Authority Pooled Program Bonds and any gain on the sale thereof are exempt from the tax imposed by the New Jersey Gross Income Tax Act; and

(c) opinions of Counsel to the effect that the County has the right and power under the Act, as amended to the date of such opinion, and any other applicable law to finally adopt the County Guaranty, and the County Guaranty has been duly and lawfully authorized and adopted by the County, is in full force and effect and is valid and binding upon the County and enforceable in accordance with its terms, and no other authorization for the County Guaranty is required; *provided*, that the opinion may take exception as to the effect of, or for restrictions or limitations imposed by or resulting from, bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws affecting creditors' rights generally and judicial discretion and may state that no opinion is being rendered as to the availability of any particular remedy, but that such limitations do not make the rights and remedies of the Bondholders, taken as a whole, inadequate for the practical realization of the benefits of the County Guaranty.

#### **SECTION 2.04. Additional Bonds.**

1. After the execution, authentication and delivery of the Series 2020 Pooled Program Bonds, Additional Bonds of the Authority may be authorized to be issued pursuant to and in accordance with the terms of the Act either (a) to raise funds to pay the cost of the acquisition, construction, renovation or installation of part or parts of an Additional Project, including any deposit or increase into any Fund or Account that has been established by the terms of this Pooled Program Bond Resolution and that is incidental thereto or is deemed by the Authority to be necessary in connection therewith, or (b) to refund any Bonds (including Additional Bonds) of the Authority.

2. Any Series of Additional Bonds of the Authority shall be issued only after the authorization thereof by a Supplemental Resolution of the Authority duly adopted prior to the authentication and delivery of such Series of Additional Bonds. Such Supplemental Resolution shall state the purpose or purposes for which such Additional Bonds are being issued and shall direct the application of the proceeds that are to be derived from the sale of such Additional Bonds to such purpose or purposes and the execution and authentication thereof. Such Supplemental Resolution shall fix and determine the date, principal amounts, denominations, designation and numbers thereof, the rate or rates of interest or maximum rate of interest to be borne thereby, the place or places of payment therefor, the redemption privileges of the Authority, if any, with respect thereto, the amount and date of each sinking fund installment, if any, for the retirement of any Bonds and any other provisions thereof, all in accordance with the terms of this Pooled Program Bond Resolution. Upon such authorization, such Additional Bonds may, upon initial issuance, at one time or from time to time, be executed by or on behalf of the Authority and delivered to the Pooled Trustee for authentication by the Pooled Trustee as provided in this Pooled Program Bond Resolution, and thereafter such Additional Bonds shall be authenticated by the Pooled Trustee upon original issuance and, upon fulfillment of the applicable conditions set forth in Section 2.05 hereof, shall be delivered by the Pooled Trustee to the Authority or upon its order.

3. All Additional Bonds shall be substantially in the form and tenor of Bonds as provided in Section 14.01 hereof, except that, notwithstanding any other provision contained in this Pooled Program Bond Resolution to the contrary, such Bonds shall be issued in such principal amounts, shall be of such denominations, shall bear such dated date and maturity dates, shall be subject to redemption prior to their maturity on such terms and conditions that are consistent with the provisions of this Pooled Program Bond Resolution, shall bear interest at such rate or rates of interest per annum, and shall be payable at such time or times as may be fixed by the Supplemental Resolution of the Authority authorizing the issuance of such Additional Bonds or by a Supplemental Resolution of the Authority duly adopted prior to the authentication and delivery of such Additional Bonds, as the case may be.

4. All Additional Bonds that are authorized by any Supplemental Resolution of the Authority shall constitute Bonds of a single Series. No bonds, notes or other obligations of the Authority shall constitute Additional Bonds unless they are authenticated by the Pooled Trustee as provided in this Pooled Program Bond Resolution, nor shall such Additional Bonds be entitled to any right or benefit under the terms of this Pooled Program Bond Resolution unless they are so authenticated, and no Additional Bond shall be valid and obligatory for any purpose of this Pooled Program Bond Resolution unless said Additional Bond shall have been so authenticated.

5. After their authentication and delivery by the Pooled Trustee upon original issuance, all Additional Bonds shall for all purposes hereof be deemed to constitute Bonds, shall be entitled to the pledge of the Trust Estate provided by this Pooled Program Bond Resolution, and shall have equal rank with the Outstanding Authority Pooled Program Bonds and any Outstanding Additional Bonds previously



authenticated and delivered, and such Additional Bonds shall be entitled to the security and benefit of such pledge and of the provisions of this Pooled Program Bond Resolution.

6. If Additional Bonds are issued that pay interest on dates different from the Interest Payment Dates of Bonds then Outstanding, there shall be no requirement that, on an Interest Payment Date of any Bond, the Pooled Trustee establish reserves for the benefit of the Holder of any other Bond on which interest is not then being paid unless provided herein or under the terms of any Supplemental Resolution.

#### **SECTION 2.05. Conditions Precedent to Issuance of Additional Bonds.**

1. The Pooled Trustee shall not authenticate or deliver upon original issuance any Additional Bonds to the Authority or upon its order, unless theretofore or simultaneously therewith there shall have been delivered or paid to the Pooled Trustee, among other things, the following:

(a) Copies of this Pooled Program Bond Resolution and the Supplemental Resolution of the Authority, certified by an Authorized Officer of the Authority, authorizing the issuance of such Additional Bonds, stating the purpose or purposes for the issuance of such Additional Bonds and otherwise conforming with the provisions of Section 2.04 hereof; and if such Additional Bonds are authorized for any purpose other than the refunding of Bonds, such Supplemental Resolution shall describe in brief and general terms of the Additional Project to be financed by the issuance of such Additional Bonds.

(b) A copy of any Supplemental Resolution that has been duly adopted by the Authority, if required, certified by an Authorized Officer of the Authority, fixing the rate or rates of interest on such Additional Bonds and all other terms and provisions thereof that are not fixed by the terms of the Supplemental Resolution referred to in subparagraph (a) above or in this Pooled Program Bond Resolution.

(c) To the extent that such Additional Bonds are to be issued for the purpose specified in clause (a) of paragraph (1) of Section 2.04 hereof, a written request from the County to the Authority to issue such Series of Additional Bonds along with the approval of the Board of Freeholders in accordance with the Act and the approval of any amendments or additions to the Lease.

(d) If such Additional Bonds are authorized for the purpose described in clause (a) or (b) of paragraph (1) of Section 2.04 hereof, (i) a certificate of an Authorized Officer of each of the Authority and the applicable Local Unit to the effect that the Lease Agreement or the Local Unit Bond, as the case may be, has been amended to cover the issuance of the Additional Bonds, if necessary, (ii) a copy of such amended Lease Agreement or Local Unit Bond, and (iii) a Certificate of an Authorized Officer of the applicable Local Unit, dated the date of issuance of such Additional Bonds, to the effect that all of the representations, warranties and covenants of the Local Units contained in the Lease Agreement or the Local Unit Bonds, as the case may be, are, as of such date, true, accurate and complete. If no such amendment to the Lease Agreement or Local Unit Bonds is required, a Counsel's opinion stating same shall be delivered to the Pooled Trustee.

(e) The written order of the Authority as to the delivery of such Additional Bonds signed by an Authorized Officer and stating (i) the amount of the proceeds derived from the sale of such Additional Bonds, (ii) the amount, if any, of such proceeds that will be paid by the Authority to the Privately Placed Trustee for deposit in the Debt Service Fund, and (iii) the amounts, if any, that will be paid by the

Authority to the Pooled Trustee for deposit in the Bond Proceeds Fund or in the Administrative Fund, as the case may be.

(f) The amount, if any, stated in said written order as the amount of such proceeds that will be paid by the Authority to the Pooled Trustee for deposit in the Debt Service Fund, which amount shall be held by the Pooled Trustee in the Debt Service Fund.

(g) The amounts, if any, stated in said written order as the amounts of such proceeds that will be paid by the Authority to the Pooled Trustee for deposit in the Bond Proceeds Fund or in the Administrative Fund, as the case may be, which amounts shall be held by the Pooled Trustee in the Bond Proceeds Fund or in the Administrative Fund, as the case may be.

(h) If such Additional Bonds are authorized for the purpose described in clause (a) of paragraph (1) of Section 2.04 hereof, a Certificate of an Authorized Officer of the Authority and/or the County stating (1) the improvement described in such Supplemental Resolution constitutes an Additional Project, (2) the remainder of such proceeds to be deposited in the Bond Proceeds Fund after deducting the amounts to be deposited in the Debt Service Fund and the Administrative Fund, if any, will be, together with any other funds of the Authority that are then available or are expected to be available therefor, sufficient to pay the Costs of the acquisition, construction, renovation or installation of such improvement, and (3) the period of time that will be required for completion of the acquisition, construction, renovation or installation of the improvement.

(i) If such Additional Bonds are authorized for the purpose described in clause (b) of paragraph (1) of Section 2.04 hereof, the amount of such proceeds that will remain after deducting the amounts, if any, to be paid to the Pooled Trustee in accordance with the terms of subparagraphs (f) and (g) above.

(j) An opinion of Bond Counsel approving the form of the Supplemental Resolution authorizing the issuance of the Additional Bonds and stating that (i) its terms and provisions conform to the requirements of the Act and this Pooled Program Bond Resolution, (ii) the order, certificates and amounts of money to be delivered or paid to the Privately Placed Trustee in accordance with the provisions of this Section 2.05 constitute compliance with the conditions hereinabove stated for the authentication and delivery of such Additional Bonds, (iii) all of the conditions precedent to the authentication and delivery of the Additional Bonds have been satisfied, and (iv) the Pooled Trustee may lawfully authenticate the Additional Bonds upon their original issuance.

(k) If the Additional Bonds are insured, a copy of any municipal bond insurance policy issued with respect to such Additional Bonds.

(l) Any additional documents that are required to be executed and delivered pursuant to the terms of any contract executed by or on behalf of the Authority in connection with the sale of Additional Bonds, unless the execution and delivery of such additional documents have been waived by the purchaser of such Additional Bonds.

(m) Such other documents as may be required by a Supplemental Resolution of the Authority duly adopted prior to the authentication and delivery of the Additional Bonds, or as may be required by a Certificate of an Authorized Officer of the Authority executed in connection with the sale of such Additional Bonds.

2. If such Additional Bonds are authorized for the purpose described in clause (a) of paragraph (1) of Section 2.04 hereof, the Pooled Trustee shall deposit in the Bond Proceeds Fund the proceeds derived from the sale of such Additional Bonds issued for the Additional Project. The moneys so deposited shall be applied by the Authority and the Privately Placed Trustee to pay the Costs of the improvements described in the Supplemental Resolution of the Authority authorizing the issuance of such Additional Bonds.

3. If such Additional Bonds are authorized for the purpose described in clause (b) of paragraph (1) of Section 2.04 hereof, the Pooled Trustee shall deposit in the Administrative Fund an amount sufficient to pay the Costs of Issuance of such Additional Bonds and shall apply the remaining proceeds derived from the sale of such Additional Bonds to the refunding of such Bonds in accordance with the terms of the Supplemental Resolution of the Authority authorizing the issuance of such Additional Bonds.

### **SECTION 2.06. Book-Entry System.**

1. Except as provided in subparagraph 3 of this Section 2.06, the registered Holder of all of the Authority Pooled Program Bonds shall be, and the Authority Pooled Program Bonds shall be registered in the name of, Cede & Co., as nominee of DTC. Payment of semiannual interest for any Authority Pooled Program Bond shall be made by wire transfer to the account of Cede & Co. on the Interest Payment Date for the Authority Pooled Program Bonds at the address indicated for Cede & Co. in the registry books of the Authority kept by the Pooled Trustee.

2. The Authority Pooled Program Bonds shall be issued initially in the form of a separate single fully registered Authority Pooled Program Bond for each Series in the amount of each separate stated maturity of the Authority Pooled Program Bonds of each such Series. Upon initial issuance, the ownership of each such Authority Pooled Program Bond shall be registered in the registry books of the Authority kept by the Pooled Trustee in the name of Cede & Co., as nominee of DTC. With respect to Authority Pooled Program Bonds registered in the registry books kept by the Pooled Trustee in the name of Cede & Co., as nominee of DTC, the Authority and any Fiduciary shall have no responsibility or obligation to any participant or to any beneficial owner of such Authority Pooled Program Bonds. Without limiting the immediately preceding sentence, the Authority and any Fiduciary shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any participant with respect to any beneficial ownership interest in the Authority Pooled Program Bonds, (ii) the delivery to any participant, any beneficial owner or any other person, other than DTC, of any notice with respect to the Authority Pooled Program Bonds, including any notice of redemption, or (iii) the payment to any participant, any beneficial owner or any other person, other than DTC, of any amount with respect to the principal or Redemption Price of, or interest on, the Authority Pooled Program Bonds. The Authority and any Fiduciary may treat as, and deem DTC to be, the absolute owner of each Authority Pooled Program Bond for the purpose of payment of the principal or Redemption Price of, and interest on, each such Bond, for the purpose of giving notices of redemption and other matters with respect to such Authority Pooled Program Bonds, for the purpose of registering transfers with respect to such Authority Pooled Program Bonds and for all other purposes whatsoever. The Paying Agent shall pay all principal or Redemption Price of, and interest on, the Authority Pooled Program Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to the principal or Redemption Price of, and interest on, the Authority Pooled Program Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive a Authority Pooled Program Bond evidencing the obligation of the Authority to make payments of principal or Redemption Price of, and interest on, the Authority Pooled Program Bonds pursuant to this Pooled Program Bond Resolution. Upon delivery by DTC to the Pooled Trustee of written notice to the

effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions hereof, the term "Cede & Co". in this Pooled Program Bond Resolution shall refer to such new nominee of DTC.

3. (a) DTC may determine to discontinue providing its services with respect to the Authority Pooled Program Bonds at any time by giving written notice to the Authority and the Fiduciaries and discharging its responsibilities with respect thereto under applicable law.

(b) The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Authority Pooled Program Bonds if the Authority determines, and shall terminate the services of DTC with respect to the Authority Pooled Program Bonds upon receipt by the Authority and the Fiduciaries of written notice from DTC to the effect that DTC has received written notice from participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then Outstanding Authority Pooled Program Bonds to the effect, that: (i) DTC is unable to discharge its responsibilities with respect to the Authority Pooled Program Bonds; or (ii) a continuation of the requirement that all of the Outstanding Authority Pooled Program Bonds be registered in the registration books kept by the Pooled Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Authority Pooled Program Bonds.

(c) Upon the termination of the services of DTC with respect to the Authority Pooled Program Bonds pursuant to subsection 2.06(3)(b)(ii) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Authority Pooled Program Bonds pursuant to subsection 2.06(3)(a) or subsection 2.06(3)(b)(i) hereof after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Authority, is willing and able to undertake such functions upon reasonable and customary terms, the Authority Pooled Program Bonds shall no longer be restricted to being registered in the registration books kept by the Pooled Trustee in the name of Cede & Co. as nominee of DTC, but may be registered in whatever name or names Bondholders transferring or exchanging Authority Pooled Program Bonds shall designate, in accordance with the provisions of Article III hereof.

4. Notwithstanding any other provision of this Pooled Program Bond Resolution to the contrary, so long as any Authority Pooled Program Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal or Redemption Price of, and interest on, such Authority Pooled Program Bond and all notices with respect to such Authority Pooled Program Bond shall be made and given, respectively, to DTC as provided in the representation letter of the Authority and the Pooled Trustee addressed to DTC with respect to the Authority Pooled Program Bonds.

5. In connection with any notice or other communication to be provided to Bondholders pursuant to this Pooled Program Bond Resolution by the Authority or the Pooled Trustee with respect to any consent or other action to be taken by Bondholders, the Authority or the Pooled Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

## ARTICLE III

### GENERAL TERMS AND PROVISIONS OF AUTHORITY POOLED PROGRAM BONDS

#### **SECTION 3.01. Medium of Payment; Form and Date; Letters and Numbers.**

1. The Authority Pooled Program Bonds shall be payable, with respect to interest, principal and Redemption Price, if any, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, except that interest on the Authority Pooled Program Bonds may be paid in accordance with Section 2.03(4) hereof.

2. The Authority Pooled Program Bonds of each Series shall be issued only in the form of fully registered Authority Pooled Program Bonds without coupons. The Authority Pooled Program Bonds of each Series shall be in substantially the form set forth in Section 14.01 hereof or substantially in the form set forth in any Supplemental Resolution authorizing such Series.

3. Each Authority Pooled Program Bond shall be lettered and numbered as provided in this Pooled Program Bond Resolution or any Supplemental Resolution providing for the issuance of the Series of which such Authority Pooled Program Bond is a part and so as to be distinguished from every other Bond.

Authority Pooled Program Bonds of each Series issued on the date of original issuance shall be dated and bear interest from the date set forth in this Pooled Program Bond Resolution or any Supplemental Resolution authorizing such Series of Authority Pooled Program Bonds. Authority Pooled Program Bonds of each Series issued after the date of original issuance shall be dated as of the date set forth in this Pooled Program Bond Resolution or any Supplemental Resolution and shall bear interest from the last Interest Payment Date to which interest has been paid. Interest on each Authority Pooled Program Bond shall be payable from the most recent Interest Payment Date next preceding the date of such Authority Pooled Program Bond to which interest has been paid, unless the date of such Authority Pooled Program Bond is an Interest Payment Date to which interest has been paid, in which case interest shall be payable from such date, or unless the date of such Authority Pooled Program Bond is prior to the first Interest Payment Date on the Authority Pooled Program Bonds, in which case interest shall be payable from the earliest date on which interest shall have accrued on such Series of Authority Pooled Program Bonds, or unless the date of such Authority Pooled Program Bond is between the Record Date and the next succeeding Interest Payment Date, in which case interest shall be payable from such Interest Payment Date.

**SECTION 3.02. Legends.** The Authority Pooled Program Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Pooled Program Bond Resolution as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, the Act, or otherwise, as may be determined by the Authority prior to the authentication and delivery thereof.

#### **SECTION 3.03. Execution and Authentication.**

1. The Authority Pooled Program Bonds shall be executed in the name of the Authority by the manual or facsimile signature of the Chairman or other Authorized Officer of the Authority, and its corporate seal (or a facsimile thereof) shall be impressed, imprinted, engraved or otherwise reproduced thereon and attested by the manual or facsimile signature of the Secretary or Assistant Secretary or other

Authorized Officer of the Authority, or in such other manner as may be required or permitted by law. In case any one or more of the Authorized Officers who shall have signed or sealed any of the Authority Pooled Program Bonds shall cease to be such officer before the Authority Pooled Program Bonds so signed and sealed shall have been authenticated and delivered by the Pooled Trustee, such Authority Pooled Program Bonds may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed or sealed such Authority Pooled Program Bonds had not ceased to hold such offices. Any Authority Pooled Program Bond of a Series may be signed and sealed on behalf of the Authority by such persons who at the time of the execution of such Authority Pooled Program Bonds shall be duly authorized or shall hold the proper office in the Authority, although at the date borne by the Authority Pooled Program Bonds of such Series such persons may not have been so authorized or have held such office.

2. The Authority Pooled Program Bonds of each Series shall bear thereon a certificate of authentication, in the form set forth in this Pooled Program Bond Resolution or in any Supplemental Resolution authorizing such Series of Authority Pooled Program Bonds, executed manually by the Pooled Trustee. Only such Authority Pooled Program Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under this Pooled Program Bond Resolution and no Authority Pooled Program Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Pooled Trustee. Such certificate of the Pooled Trustee upon any Authority Pooled Program Bond executed on behalf of the Authority shall be conclusive evidence that this Authority Pooled Program Bond so authenticated has been duly authenticated and delivered under this Pooled Program Bond Resolution and that the Holder thereof is entitled to the benefits of this Pooled Program Bond Resolution.

#### **SECTION 3.04. Transfer and Registry.**

1. Each Authority Pooled Program Bond shall be transferable only upon the books of the Authority, which shall be kept for that purpose at the principal corporate trust office of the Pooled Trustee, by the Holder thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Pooled Trustee duly executed by the Holder or his duly authorized attorney. Upon the transfer of any such Authority Pooled Program Bond the Authority shall issue in the name of the transferee a new Authority Pooled Program Bond or Authority Pooled Program Bonds of the same aggregate principal amount and Series and maturity as the surrendered Bond.

2. The Authority and each Fiduciary may deem and treat the person in whose name any Authority Pooled Program Bond shall be registered upon the books of the Authority as the absolute owner of such Bond, whether such Authority Pooled Program Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on, such Authority Pooled Program Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Authority Pooled Program Bond to the extent of the sum or sums so paid, and neither the Authority nor any Fiduciary shall be affected by any notice to the contrary.

**SECTION 3.05. Regulations With Respect to Exchanges and Transfers.** In all cases in which the privilege of exchanging Authority Pooled Program Bonds or transferring Authority Pooled Program Bonds is exercised, the Authority shall execute and the Pooled Trustee shall authenticate and deliver Authority Pooled Program Bonds in accordance with the provisions of this Pooled Program Bond Resolution. All Authority Pooled Program Bonds surrendered in any such exchange or transfer shall forthwith be canceled by the Pooled Trustee. For every such exchange or transfer of Authority Pooled

Program Bonds, whether temporary or definitive, the Authority or the Pooled Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the Authority nor the Pooled Trustee shall be required (a) to transfer or exchange Authority Pooled Program Bonds for a period beginning on the Record Date next preceding an Interest Payment Date for the Authority Pooled Program Bonds and ending on such Interest Payment Date, or for a period of fifteen (15) days (or such lesser period as may be specified in a Supplemental Resolution for a particular Series of Authority Pooled Program Bonds) next preceding the date (as determined by the Pooled Trustee) of any selection of Authority Pooled Program Bonds to be redeemed or thereafter until after the mailing of any notice of redemption; or (b) to transfer or exchange any Authority Pooled Program Bonds called or tendered for redemption.

**SECTION 3.06. Authority Pooled Program Bonds Mutilated, Destroyed, Stolen or Lost.** In case any Authority Pooled Program Bond shall become mutilated or be destroyed, stolen or lost, the Authority shall execute, and thereupon the Pooled Trustee shall authenticate and deliver, a new Authority Pooled Program Bond of like Series, maturity and principal amount as the Authority Pooled Program Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Authority Pooled Program Bond or in lieu of and substitution for the Authority Pooled Program Bond destroyed, stolen or lost, upon filing with the Pooled Trustee evidence satisfactory to the Authority and the Pooled Trustee that such Authority Pooled Program Bond has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Authority and the Pooled Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the Authority and the Pooled Trustee may prescribe and paying such expenses as the Authority and Pooled Trustee may incur. All mutilated Authority Pooled Program Bonds so surrendered to the Pooled Trustee shall be canceled by it. Any such new Authority Pooled Program Bonds issued pursuant to this Section in substitution for Authority Pooled Program Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Authority, whether or not the Authority Pooled Program Bonds so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by, and entitled to equal and proportionate benefits with all other Authority Pooled Program Bonds issued under this Pooled Program Bond Resolution in, any moneys or securities held by the Authority or any Fiduciary for the benefit of the Bondholders of the applicable Series.

**SECTION 3.07. Cancellation and Destruction of Authority Pooled Program Bonds.** All Authority Pooled Program Bonds paid or redeemed, either at or before maturity, shall be delivered to the Pooled Trustee when such payment or redemption is made, and such Authority Pooled Program Bonds, together with all Authority Pooled Program Bonds purchased by the Pooled Trustee, shall thereupon be promptly canceled. Authority Pooled Program Bonds so canceled may at any time be destroyed by the Pooled Trustee, who shall execute a certificate of destruction in duplicate by the signature of one of its Authorized Officers describing the Authority Pooled Program Bonds so destroyed, and one executed certificate shall be filed with the Authority and the other executed certificate shall be retained by the Pooled Trustee.

## ARTICLE IV

### REDEMPTION OF AUTHORITY POOLED PROGRAM BONDS PRIOR TO MATURITY

**SECTION 4.01 Privilege of Redemption and Redemption Price.** Authority Pooled Program Bonds subject to redemption prior to maturity pursuant to this Pooled Program Bond Resolution shall be redeemable, upon notice as provided in this Article IV, at such times, at such Redemption Prices and upon such terms in addition to the terms contained in this Article IV as may be specified in this Pooled Program Bond Resolution, the Certificate of an Authorized Officer of the Authority referred to in Section 2.02(1)(e) hereof or any Supplemental Resolution authorizing the Authority Pooled Program Bonds.

**SECTION 4.02. Redemption by Pooled Trustee.** Whenever by the terms of this Pooled Program Bond Resolution the Pooled Trustee is required to redeem Authority Pooled Program Bonds otherwise than at the election of the Authority, the Pooled Trustee shall select the Authority Pooled Program Bonds to be redeemed, give the notice of redemption as provided in Section 4.04 and pay out of moneys available therefor the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, to the Paying Agent in accordance with the terms of this Article IV and, to the extent applicable, Article V hereof.

#### **SECTION 4.03. Selection of Authority Pooled Program Bonds to be Redeemed.**

1. If less than all of the Authority Pooled Program Bonds of any Series of like maturity shall be called for redemption and if the particular Authority Pooled Program Bonds or portions of Authority Pooled Program Bonds to be redeemed shall be selected at random by the Pooled Trustee, such Authority Pooled Program Bonds shall be selected in such manner as the Pooled Trustee in its discretion may deem fair and appropriate; provided, however, that the portion of any Authority Pooled Program Bond of a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or an integral multiple thereof, and that, in selecting Authority Pooled Program Bonds for redemption, the Pooled Trustee shall treat each Authority Pooled Program Bond as representing that number of Authority Pooled Program Bonds that is obtained by dividing the principal amount of such Authority Pooled Program Bond by the minimum denomination in which Authority Pooled Program Bonds of such Series are authorized to be outstanding after the redemption date.

2. If fewer than all of the Outstanding Authority Pooled Program Bonds of any Series that are stated to mature on different dates are called for redemption at one time on any given redemption date, an Authorized Officer of the Authority shall designate, by maturity, those Authority Pooled Program Bonds which are to be redeemed on any such redemption date by delivering to the Pooled Trustee not earlier than sixty (60) days and no later than forty-five (45) days prior to any such redemption date a Certificate detailing such maturities and the amounts to be redeemed within each such maturity. If the Pooled Trustee has not received the Authority's Certificate by such forty-fifth (45th) day, the Pooled Trustee may select the Authority Pooled Program Bonds to be redeemed in the same manner as those Authority Pooled Program Bonds selected in accordance with Section 4.03(1) hereof.

**SECTION 4.04. Notice of Redemption.** When Authority Pooled Program Bonds of a Series have been selected for redemption pursuant to any provision of this Pooled Program Bond Resolution, the Pooled Trustee shall give written notice of the redemption of such Authority Pooled Program Bonds in the name of the Authority at the times specified in the second paragraph of this Section, which notice shall set forth: (i) the Series of the Authority Pooled Program Bonds to be redeemed, (ii) the date fixed for redemption, (iii) the Redemption Price to be paid, (iv) that such Authority Pooled Program Bonds will



be redeemed at the Principal Office of the Paying Agent, (v) if less than all of such Authority Pooled Program Bonds shall be called for redemption, the CUSIP numbers and other distinctive numbers and letters, if any, of such Authority Pooled Program Bonds to be redeemed, and (vi) in the case of Authority Pooled Program Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. Such notice shall further state that on the redemption date there shall become due and payable the Redemption Price of all Authority Pooled Program Bonds to be redeemed, together with interest accrued to the redemption date, and that, from and after such date, no Bondholders shall have a right to receive accrued interest. In case any Authority Pooled Program Bond is to be redeemed in part only, the notice of redemption that relates to such Authority Pooled Program Bond shall state also that on or after the redemption date, upon surrender of such Bond, the Holder thereof shall be entitled to a new Authority Pooled Program Bond or Authority Pooled Program Bonds of the same Series, bearing interest at the same rate and in aggregate principal amount equal to the unredeemed portion of such Authority Pooled Program Bond.

The notice required to be given by the Pooled Trustee pursuant to this Section shall be sent by first-class mail to the registered owners of the Authority Pooled Program Bonds to be redeemed, at their addresses as they appear on the Authority Pooled Program Bond registration books of the Authority, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date. The failure to give notice of the redemption of any Authority Pooled Program Bond or portion thereof to the registered owner of such Authority Pooled Program Bond as herein provided or as provided in Section 4.05(2) hereof shall not affect the validity of the proceedings for the redemption of any Authority Pooled Program Bonds for which notice of redemption has been given in accordance with the provisions of this Section.

#### **SECTION 4.05. Payment of Redeemed Authority Pooled Program Bonds.**

1. On the date designated for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Authority Pooled Program Bonds or portions of Authority Pooled Program Bonds called for redemption shall become and be due and payable at the Redemption Price provided for redemption of such Authority Pooled Program Bonds or such portions thereof on such date and, if moneys for the payment of the Redemption Price and the accrued interest to the redemption date are held in a separate account by the Pooled Trustee in trust for the holders of such Authority Pooled Program Bonds, then, subject to Section 5.06 hereof, interest on such Authority Pooled Program Bonds or such portions thereof so called for redemption shall cease to accrue, such Authority Pooled Program Bonds or such portions thereof shall cease to be entitled to any benefit or security under this Pooled Program Bond Resolution and the Holders of such Authority Pooled Program Bonds or portions of Authority Pooled Program Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price thereof and the accrued interest thereon and, to the extent provided in Section 4.06 hereof, to receive Authority Pooled Program Bonds for any unredeemed portions of Authority Pooled Program Bonds.

2. With respect to any Authority Pooled Program Bonds to be redeemed which have not been presented for redemption within thirty (30) days after the redemption date, the Pooled Trustee, at the expense of the applicable Local Unit whose Series of applicable Privately Placed Bonds have been called for redemption, or if all of the Authority Pooled Program Bonds shall have been called for redemption, at the pro rata expense of all Local Units, shall give a second notice of redemption to the registered owner of any such Authority Pooled Program Bonds which have not been presented for redemption, by certified or registered mail, as of the end of such thirty (30)-day period.

**SECTION 4.06. Redemption of Portions of Authority Pooled Program Bonds.** In case part but not all of an Outstanding Authority Pooled Program Bond shall be selected for redemption, upon presentation and surrender of such Authority Pooled Program Bond to the Paying Agent for payment of the principal amount thereof so called for redemption and accrued interest thereon on or after the redemption date, the Authority shall execute and the Pooled Trustee shall authenticate and deliver to or upon the order of the registered owner thereof or his attorney or legal representative, without charge therefor, an Authority Pooled Program Bond or Authority Pooled Program Bonds of the same Series bearing interest at the same rate and of any denomination or denominations authorized by this Pooled Program Bond Resolution in aggregate principal amount equal to the unredeemed portion of such Bond.

## ARTICLE V

### FUNDS AND ACCOUNTS

**SECTION 5.01. Creation of Funds and Accounts.** The following Funds and separate Accounts within such Funds shall be established, held and maintained for the Authority Pooled Program Bonds:

- (a) Bond Proceeds Fund, to be held by the Pooled Trustee, which shall consist of a Purchase Account and a Costs of Issuance Account;
- (b) Debt Service Fund, to be held by the Pooled Trustee, which shall consist of an Interest Account; and within the Interest Account, a County Interest Subaccount, a County Chapter 12 Interest Subaccount, a Borough of Chester Interest Subaccount, a Borough of Rockaway Interest Subaccount and a Town of Newton Interest Subaccount; and a Principal Account, and within the Principal Account, a County Principal Subaccount, a County Chapter 12 Principal Subaccount, a Borough of Chester Principal Subaccount, a Borough of Rockaway Principal Subaccount and a Town of Newton Principal Subaccount;
- (c) Administrative Fund, to be held by the Pooled Trustee, which shall consist of an Administrative Expense Account; and within the Administrative Expense Account, a County Administrative Expense Subaccount, a County Chapter 12 Administrative Expense Subaccount, a Borough of Chester Administrative Expense Subaccount, a Borough of Rockaway Administrative Expense Subaccount and a Town of Newton Administrative Expense Subaccount;
- (d) General Fund, to be held by the Pooled Trustee; and
- (e) Rebate Fund, to be held by the Pooled Trustee.

Each of the Funds, Accounts and Subaccounts created by this Pooled Program Bond Resolution, other than the Rebate Fund is hereby pledged to, and charged with, the payment of the principal or Redemption Price of and interest on the Authority Pooled Program Bonds as the same shall become due.

#### **SECTION 5.02. Bond Proceeds Fund.**

1. There shall be deposited (i) into the Cost of Issuance Account of the Bond Proceeds Fund from the proceeds of the Authority Pooled Program Bonds the amounts set forth in Section 2.03(7)(A)(e) and (B)(d) hereof and (ii) in the Purchase Account of the Bond Proceeds Fund from the proceeds of the Authority Pooled Program Bonds the amounts set forth in Section 2.03 hereof. Immediately upon such deposit as set forth in subsection (ii) herein, the Pooled Trustee shall apply all the moneys in the Purchase Account to the purchase of the Privately Placed Bonds in an amount set forth in a Certificate of an Authorized Officer of the Authority.

2. The Authority shall direct the Pooled Trustee to make payments from the Costs of Issuance Account in the manner and on the other terms and conditions as the Authority shall determine to be fair and reasonable in the payment of the particular items of the Costs of Issuance relating to the

issuance of a particular Series of Bonds and in accordance with the provisions of the Tax Certificate. Upon the payment of all Costs of Issuance for one or more Series of Bonds issued simultaneously as evidenced by a Certificate of an Authorized Officer of the Authority to such effect, the amounts remaining in the Costs of Issuance Account, if any, shall be transferred to the Privately Placed Trustee for deposit in the Revenue Fund of the Lease Revenue Bond Resolution as set forth thereto.

### **SECTION 5.03. Debt Service Fund.**

1. No later than each Interest Payment Date, the Pooled Trustee shall deposit in the applicable Interest Subaccount of the Debt Service Fund the amount of interest on the (i) Authority Lease Revenue Bonds paid by the paying agent under the Authority Lease Revenue Bond Resolution to the Pooled Trustee, as the registered owner of 100% of the aggregate principal amount of such Bonds, (ii) County Chapter 12 Bonds paid by the paying agent under the County Chapter 12 Bonds to the Pooled Trustee, as the registered owner of 100% of the aggregate principal amount of the County Chapter 12 Bonds, (iii) Borough of Chester Bonds paid by the paying agent under the Borough of Chester Bonds to the Pooled Trustee, as the registered owner of 100% of the aggregate principal amount of the Borough of Chester Bonds, (iv) Borough of Rockaway Bonds paid by the paying agent under the Borough of Rockaway Bonds to the Pooled Trustee, as the registered owner of 100% of the aggregate principal amount of the Borough of Rockaway Bonds, and (v) Town of Newton Bonds paid by the paying agent under the Town of Newton Bonds to the Pooled Trustee, as the registered owner of 100% of the aggregate principal amount of the Town of Newton Bonds.

2. No later than each Principal Payment Date, the Pooled Trustee shall deposit in the applicable Principal Subaccount of the Debt Service Fund the amount of principal of the (i) Authority Lease Revenue Bonds paid by the paying agent under the Authority Lease Revenue Bond Resolution to the Pooled Trustee, as the registered owner of 100% of the aggregate principal amount of such Bonds, (ii) County Chapter 12 Bonds paid by the paying agent under the County Chapter 12 Bonds to the Pooled Trustee, as the registered owner of 100% of the aggregate principal amount of the County Chapter 12 Bonds, (iii) Borough of Chester Bonds paid by the paying agent under the Borough of Chester Bonds to the Pooled Trustee, as the registered owner of 100% of the aggregate principal amount of the Borough of Chester Bonds, (iv) Borough of Rockaway Bonds paid by the paying agent under the Borough of Rockaway Bonds to the Pooled Trustee, as the registered owner of 100% of the aggregate principal amount of the Borough of Rockaway Bonds, and (v) Town of Newton Bonds paid by the paying agent under the Town of Newton Bonds to the Pooled Trustee, as the registered owner of 100% of the aggregate principal amount of the Town of Newton Bonds.

3. On each Interest Payment Date, the Pooled Trustee shall withdraw from the Interest Account of the Debt Service Fund amounts equal to the interest due on the Authority Pooled Program Bonds on such Interest Payment Date. Such moneys shall be transferred from the Pooled Trustee to the Paying Agent and applied by the Paying Agent to the payment of the interest due on such Interest Payment Date in accordance with the terms of this Pooled Program Bond Resolution. Any funds remaining on deposit in the Subaccounts of the Interest Account shall be immediately transferred to the General Fund.

4. On each Principal Payment Date, the Pooled Trustee shall make available to the Paying Agent from moneys in the Principal Account of the Debt Service Fund an amount which is equal to the principal of the Authority Pooled Program Bonds due on such Principal Payment Date. Such moneys shall be transferred from the Pooled Trustee to the Paying Agent and applied by the Paying Agent to the payment of the principal due on such Principal Payment Date in accordance with the terms of this Pooled

Program Bond Resolution. Any funds remaining on deposit in the Principal Subaccounts of the Principal Account shall be immediately transferred to the General Fund.

5. (a) On any Interest Payment Date or any Principal Payment Date, to the extent moneys on deposit in the respective Interest Accounts and Principal Accounts are insufficient to make any payment of interest or principal on the respective Series of Authority Pooled Program Bonds due on any such Interest Payment Date or Principal Payment Date and after the Pooled Trustee has made inquiry of the Privately Placed Trustee, the Paying Agent and each of the Local Units no later than 9:15 a.m. on any such date as to the availability of payment of the principal of and interest on the applicable Bonds from any source under the Lease Revenue Bond Resolution or the Privately Placed Bonds, with respect to any applicable Series of Authority Pooled Program Bonds, the Pooled Trustee shall immediately notify the County of any such deficiency in the respective Interest Accounts or Principal Accounts created hereunder, as the case may be, and the County shall, in accordance with the terms of the County Guaranty, immediately forward the amount of such deficiency to the Pooled Trustee no later than 11:00 a.m. on such Interest Payment Date or Principal Payment Date.

Upon its receipt of payments under the County Guaranty, the Pooled Trustee shall, similar to subsections 3 or 4, as applicable, above, make such moneys available to the Paying Agent for prompt payment of the interest on or the principal of such applicable Series of Authority Pooled Program Bonds no later than such Interest Payment Date or Principal Payment Date.

To the extent the Pooled Trustee is aware of any such deficiency in Local Unit payments at any time during which any such Local Unit payments are deficient in whole or in part, the Pooled Trustee shall (i) notify the County immediately and keep the County continuously informed of same, (ii) notify the County, in writing via telecopy or other similar medium two (2) Business Days immediately preceding any such Interest Payment Date or Principal Payment Date, as the case may be, (a) of such deficiency and (b) of the County's obligation to pay such deficiency to the Pooled Trustee in case such deficiency remains, in whole or in part, on any such immediately succeeding Interest Payment Date or Principal Payment Date, as the case may be, and (iii) make all arrangements with the County in order for the County to make timely payment of any such Local Unit payment deficiency on any such Interest Payment Date or Principal Payment Date, as the case may be.

(b) To the extent the County has paid principal of or interest on either Series of Authority Pooled Program Bonds under its County Guaranty or to the extent a Local Unit has paid principal of or interest on its Privately Placed Bonds, moneys received by the Pooled Trustee from the Local Units representing past due Basic Lease Payments or Authority Bond Loan Repayments, as the case may be, including any interest thereon at the Overdue Rate under such Lease Agreement or Local Unit Bond, which past due status caused the County to pay under its County Guaranty, shall be forwarded (i) first, to the County to the extent of any such payment by the County, (ii) second, to the Authority to the extent of the Overdue Rate, and (iii) third, to the Privately Placed Trustee for deposit in the applicable Local Unit Revenue Account or returned to the Local Units, as the case may be.

#### **SECTION 5.04. Administrative Fund.**

1. There shall be established within the Administrative Fund an Administrative Expense Account.

2. The Pooled Trustee shall invoice (i) with respect to the Authority Lease Revenue Bonds, the Privately Placed Trustee, (ii) with respect to the County Chapter 12 Bonds, the County, (iii) with respect to the Borough of Chester Bonds, the Borough of Chester, (iv) with respect to the Borough of

Rockaway Bonds, the Borough of Rockaway, and (v) with respect to the Town of Newton Bonds, the Town of Newton, (a) for the Administrative Fee at least thirty (30) days prior to the dates such amounts become due and (b) for any other Administrative Expense that is approved by the Authority, promptly after the receipt by the Privately Placed Trustee or the Local Units, as the case may be, of a Certificate of an Authorized Officer of the Authority delivered to such effect. The Privately Placed Trustee and the Local Units shall pay to the Pooled Trustee as Additional Lease Payments or Interest on the Loan, as the case may be, for deposit in their respective Local Unit Administrative Expense Subaccounts, (i) the Administrative Fee when due in accordance with the definition thereof and (ii) any other amounts due as Administrative Expenses payable at the times set forth herein or in the Project Agreements, as the case may be. Upon receipt, the Pooled Trustee shall promptly forward the Administrative Fee, other than that due under subsection (A) of the definition thereof, to the Authority and other amounts due as Administrative Expenses to the party on whose behalf such payments were made. The Authority shall utilize moneys paid to it as its Administrative Fee from time to time to pay the operating expenses of the Authority; *provided, however*, that in any Bond Year the moneys so paid to it as its Administrative Fee shall, to the extent possible, be applied by the Authority in satisfaction of the operating expenses of the Authority arising under the Lease Revenue Bond Resolution and the Pooled Program Bond Resolution in such Bond Year before such moneys may be applied in satisfaction of the other operating expenses of the Authority arising in such Bond Year.

**SECTION 5.05. General Fund.** On the first day of each Bond Year beginning February 1, 2026, the Pooled Trustee shall deposit in the General Fund all moneys then remaining in the Debt Service Fund and not earmarked to a particular payment. Moneys on deposit in the General Fund may be applied by the Authority, upon its written requisition to the Pooled Trustee, in accordance with the Act for any of its corporate purposes. Such requisition shall state that the Authority is requesting such moneys pursuant to the provisions of this Section.

**SECTION 5.06. Moneys to be Held in Trust.** All moneys required to be deposited with or paid to the Pooled Trustee or the Paying Agent for the account of any Fund, Account or Subaccount that is established under any provision of this Pooled Program Bond Resolution for the Authority Pooled Program Bonds in accordance with the terms of this Pooled Program Bond Resolution, other than the Rebate Fund, shall be held by the Pooled Trustee or the Paying Agent, as the case may be, in trust for the Holders of the Authority Pooled Program Bonds and shall constitute part of the Trust Estate while held by the Pooled Trustee or the Paying Agent. Notwithstanding the prior provisions of this Section 5.06, moneys deposited with or held by the Pooled Trustee or the Paying Agent for the payment of the principal of or interest on Authority Pooled Program Bonds on or after the date on which such amounts shall have become due shall be held and applied solely for the payment of such Authority Pooled Program Bonds or the payment of such interest.

**SECTION 5.07. Investments.** All moneys in any of the Funds, Accounts and Subaccounts created under this Pooled Program Bond Resolution shall be invested by the Pooled Trustee as directed by the Authority in writing, subject to the further provisions of this Section. The Pooled Trustee may conclusively rely upon such written direction of the Authority as to any and all investments.

Moneys in all Funds, Accounts and Subaccounts created under this Pooled Program Bond Resolution, other than the Debt Service Fund and the Accounts and Subaccounts established therein, shall be invested in Investment Securities, the principal of and the interest on which are payable not later than the dates on which it is estimated, by the Authority, that such moneys will be required hereunder. Moneys in the Debt Service Fund and the Accounts and Subaccounts established therein and moneys in any Fund, Account or Subaccount that are to be applied to the payment of any principal or redemption premium of or interest on any Authority Pooled Program Bonds shall be invested only in cash, direct non-

callable obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which obligation or guarantee the full faith and credit of the United States of America has been pledged, or any such fund (of the Pooled Trustee or otherwise) consisting wholly of said securities, to the extent rated in the highest rating category by the Rating Agencies.

All interest, profits and other income earned and received by the Pooled Trustee and the Authority, as appropriate, net of any losses suffered (herein called the "net earnings"), from the investment of moneys in any Fund, Account or Subaccount shall be retained in and treated as part of such Fund, Account or Subaccount and applied in accordance with the Sections of this Pooled Program Bond Resolution governing such Funds, Accounts or Subaccounts. For the purpose of determining the amount in any Fund, Account or Subaccount at any time in accordance with this Pooled Program Bond Resolution, all Investment Securities credited to such Fund, Account or Subaccount shall be valued at the lesser of amortized cost (exclusive of accrued interest) or fair market value.

The Authority may direct the Pooled Trustee to withdraw and utilize earnings in any Fund or Account other than the Interest Account and the Principal Account in the Debt Service Fund to pay into the Rebate Fund held by the Authority any amounts desired by the Authority or required pursuant to the Code to be set aside for rebate to the Internal Revenue Service, as outlined in the Tax Certificate. The Authority shall submit to the Pooled Trustee a certificate specifying the Fund, Account or Subaccount and the amount of earnings to be withdrawn for purposes of rebate, and the Pooled Trustee shall be entitled to rely on each such certificate in making payments to the Authority.

The Pooled Trustee may act as principal or agent in the acquisition or disposition of any Investment Securities. The Pooled Trustee shall exercise its best efforts to sell at the best price obtainable, or present for redemption, any Investment Securities to the credit of any Fund, Account or Subaccount created under this Pooled Program Bond Resolution, whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from such Fund, Account or Subaccount and the Pooled Trustee shall not be liable for any loss resulting from such necessary sale so made of such investments.

#### **SECTION 5.08. Deposit and Notices of Deposit into Rebate Fund.**

1. Upon written notification to the Pooled Trustee from any Local Unit of the Rebateable Arbitrage with respect to any Series of Tax-Exempt Bonds, the Pooled Trustee shall promptly transfer from the Construction Fund for such Series of Tax-Exempt Bonds to the Rebate Fund for such Series of Tax-Exempt Bonds the amount specified in the written notification which shall be the amount necessary so that, immediately after such transfer, the amount in the Rebate Fund for such Series of Tax-Exempt Bonds shall be equal to the excess of the Rebateable Arbitrage with respect to such Series of Tax-Exempt Bonds over the amounts previously paid with respect to such Series of Tax-Exempt Bonds to the United States of America by the Pooled Trustee on behalf of the Authority pursuant to Section 5.11 hereof.

2. In the event that the amount in the Construction Fund is insufficient to fund the Rebate Fund at the times and in the amount specified in subsection (1) above, and the applicable Local Unit has not, on or prior to the Rebate Computation Date, paid to the Pooled Trustee for deposit in the Rebate Fund the difference between the amount required to be added to the Rebate Fund with respect to any Series of Tax-Exempt Bonds and the amount then available for such purpose in the Construction Fund for such Series of Tax-Exempt Bonds, the Pooled Trustee shall, within five (5) days after a Rebate Computation Date, notify the Authority of the Local Unit's failure to make such payment, and the

Authority shall have the right, but not the obligation, to make such payment to the Pooled Trustee on behalf of the applicable Local Unit.

**SECTION 5.09. Excess Moneys in Rebate Fund.** In the event that, on any Rebate Computation Date, the amount on deposit in the Rebate Fund for any Series of Tax-Exempt Bonds exceeds the Rebatable Arbitrage with respect to such Series of Tax-Exempt Bonds (as provided in the opinion and report furnished by the Rebate Expert described in Section 5.07(2) hereof with respect to such Rebate Computation Date) reduced by amounts previously paid with respect to such Series of Tax-Exempt Bonds to the United States of America by the Pooled Trustee on behalf of the Authority pursuant to Section 5.11 hereof, the Pooled Trustee shall, upon receipt of written instructions from the Local Unit specifying the amount of the excess, notify the Authority of such excess, withdraw such excess amount and deposit it in the Construction Fund if such notification is prior to the completion of the Project. If the notification is after the completion of the Project and the excess constitutes proceeds of a Series of Tax-Exempt Bonds (including investment earnings thereon), such excess shall be applied in accordance with the treatment of surplus with respect to such Series of Tax-Exempt Bonds. In the event such excess does not constitute proceeds of a Series of Tax-Exempt Bonds (including investment earnings thereon), the Pooled Trustee shall transfer such amount to the Local Unit. If any amount shall remain in the Rebate Fund established for any Series of Tax-Exempt Bonds after the Pooled Trustee has made a final payment to the United States of America with respect to such Series of Tax-Exempt Bonds as a result of the retirement of the last obligation of such Series of Tax-Exempt Bonds, such excess shall be transferred to the Local Unit.

**SECTION 5.10. Investment of Rebate Fund.**

1. Any moneys held as part of the Rebate Fund shall be invested or reinvested by the Pooled Trustee as provided in this Article V.

2. The Authority shall direct all investments such that any investment of funds in the Rebate Fund shall mature or be redeemable by the Pooled Trustee at such times as may be necessary to provide funds when, at the time of the investment, it is anticipated the same will be needed to make payments from the Rebate Fund. The Pooled Trustee may at any time, to the extent required for payments from the Rebate Fund, sell any of such investments, and the proceeds of such sale and of all payments at maturity and upon redemption of such investments shall be held in the Rebate Fund. Interest and other income received or losses on moneys or securities in the Rebate Fund shall be credited or charged to the Rebate Fund and shall become a part thereof to be disbursed as provided for herein.

**SECTION 5.11. Payment of Rebatable Arbitrage to United States.** The Pooled Trustee, at the written direction of the Authority or the Local Unit, shall withdraw from the Rebate Fund and pay over to the United States of America the Rebatable Arbitrage with respect to each Series of Tax-Exempt Bonds in installments as follows: The first payment shall be made not later than sixty (60) days after the end of the fifth Rebate Year of each such Series of Tax-Exempt Bonds. Each subsequent payment shall be made not later than sixty (60) days after the succeeding fifth Rebate Year of each such Series of Tax-Exempt Bonds. Each installment shall be in an amount that ensures that at least ninety percent (90%) of the amount of Rebatable Arbitrage with respect to such Series of Tax-Exempt Bonds as of the close of the period ending on the last day of the most recent fifth Rebate Year of such Series of Tax-Exempt Bonds will have been paid to the United States of America (determined in accordance with the opinion of the Rebate Expert and accompanying written summary given to the Pooled Trustee by the Local Unit concerning Rebatable Arbitrage with respect to such Series of Tax-Exempt Bonds for the period ending on the last day of such fifth Rebate Year). Not later than sixty (60) days after the retirement of the last obligation of such Series of Tax-Exempt Bonds, the United States of America shall be paid the remaining



balance of the Rebtable Arbitrage with respect to such Series of Tax-Exempt Bonds together with amounts earned from investing the remaining balance of the Rebtable Arbitrage at an arm's length interest rate during the period beginning from the date of retirement of the last obligation of such Series of Tax-Exempt Bonds and ending on the date fifteen (15) days before the final rebate payment is made.

## ARTICLE VI

### BOND PURCHASE AGREEMENT, CONTINUING DISCLOSURE AND OFFICIAL STATEMENTS

**SECTION 6.01. Lease Payments and Loan Repayments.** The Authority shall establish Basic Lease Payments under the Project Agreements and Authority Bond Loan Repayments under the Local Unit Bond, in such amounts that, together with any amounts available and required to be treated as credits thereunder or under this Pooled Program Bond Resolution, shall be sufficient to pay the principal and redemption premium, if any, of and the interest on all Series of Bonds as the same become due and payable.

**SECTION 6.02. Bond Purchase Agreement.** The Authority Pooled Program Bonds shall be sold and awarded to the Underwriters upon the terms and conditions set forth in the Bond Purchase Agreement to be dated the date of sale of the Authority Pooled Program Bonds and to be executed on behalf of the Authority and the Underwriters. The Authorized Representative is hereby authorized and directed to execute the Bond Purchase Agreement and to deliver same to the Underwriters on terms deemed advisable by the Authorized Representative in consultation with the Authority's Bond Counsel and Municipal Advisor. The Authority Pooled Program Bonds will be sold to the Underwriters for the purchase price set forth in the Bond Purchase Agreement, plus accrued interest and giving effect to an Underwriters' discount, all as set forth therein. Settlement of the purchase price for the Authority Pooled Program Bonds will be made as provided in the Bond Purchase Agreement. Such sale and award of the Authority Pooled Program Bonds by the Authorized Representative shall be evidenced by the execution of the Certificate of an Authorized Officer of the Authority referred to in Section 2.02(1)(e) hereof as of the date of the sale and award of the Authority Pooled Program Bonds and the Bond Purchase Agreement, and such Certificate of an Authorized Officer of the Authority referred to in Section 2.02(1)(e) hereof and Bond Purchase Agreement shall be presented to the members of the Authority at the next regular meeting of the Authority following such sale and award as evidence of the terms and details of the sale of the Authority Pooled Program Bonds.

**SECTION 6.03. Continuing Disclosure.** Prior to the issuance of the Authority Pooled Program Bonds, the Authority, pursuant to the sole discretion of the Chairman of the Authority, in consultation with Bond Counsel, general counsel and any other applicable advisors to the Authority, shall determine if any Local Unit is a material "obligated person" within the meaning and for the purposes of Rule 15c2-12, based upon the following criteria hereby established as the means of satisfying the meaning and purposes of Rule 15c2-12: Local Units shall be considered to be material "obligated persons" if their debt service payments scheduled to be made pursuant to their Privately Placed Bonds in any fiscal year of the Local Units equal or exceed ten percent (10%) of the debt service scheduled to be paid with respect to the Authority Pooled Program Bonds in such fiscal year.

Each Local Unit determined by the Authority to be a material "obligated person" based upon the criteria set forth herein shall be required to enter into a continuing disclosure agreement by and among such Local Unit, the Authority and the Pooled Trustee. The County is hereby determined by the Authority to be an "obligated person" for purposes of Rule 15c2-12 in its capacity as issuer of the County Guaranty.

Notwithstanding any provision to the contrary in Article XI hereof, the Authority may amend or supplement this Section 6.03 to comply with any amendment, supplement, modification, termination or other change to Rule 15c2-12.

**SECTION 6.04. Preliminary Official Statement.**

1. The Chairman is hereby authorized and directed, upon satisfaction of all of the legal conditions precedent to the delivery of the preliminary official statement relating to the Authority Pooled Program Bonds by the Authority, as determined by the Chairman in consultation with the Counsel to the Authority, to deliver a preliminary official statement in the form and with such provisions as the Chairman, after consultation with Counsel to the Authority, deems in his sole discretion to be necessary or desirable for the delivery thereof, which delivery thereof by the Chairman shall conclusively evidence his consent to the provisions thereof.

2. The Chairman is hereby authorized and directed to execute any certificate or document relating to any statutes, rules or other procedures of the Securities and Exchange Commission, the Municipal Securities Rulemaking Board or any state securities entity that the Chairman, after consultation with Counsel to the Authority, deems necessary or desirable to effect the issuance of the Authority Pooled Program Bonds and the transactions contemplated by the preliminary official statement.

**SECTION 6.05. Official Statement.** The Chairman is hereby authorized and directed to execute and deliver a final official statement in substantially similar form to the preliminary official statement, with such changes to reflect the final pricing as set forth in the bond purchase agreement as the Chairman, after consultation with the Chairman of and Counsel to the Authority, deems necessary or desirable to effect the issuance of the Authority Pooled Program Bonds and the transactions contemplated by the final official statement.

## ARTICLE VII

### DEFAULTS UNDER PRIVATELY PLACED BONDS

**SECTION 7.01. Defaults Under Privately Placed Bonds.** The Pooled Trustee shall notify the Authority and the County of its failure to receive any payment of principal, redemption premium, if any, of or interest on the Privately Placed Bonds or of any other Event of Default under the Privately Placed Bonds known to the Pooled Trustee.

After the occurrence of any Event of Default under any Privately Placed Bond, the Pooled Trustee shall subject to any direction of the Authority, diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of the rights of the registered owners of 100% of the Privately Placed Bonds, including (without limitation) the prompt payment of all principal and redemption premium, if any, of and interest on the Privately Placed Bonds, and the observance and performance of all duties, covenants, obligations and agreements, thereunder.

## ARTICLE VIII

### GENERAL COVENANTS

**SECTION 8.01. Payment of Authority Pooled Program Bonds; Special Obligations of Authority.** The Authority shall pay or cause to be paid the principal of and interest on the Authority Pooled Program Bonds on the date, at the place and in the manner provided herein, in the applicable Supplemental Resolution and in such Authority Pooled Program Bonds, according to the true intent and meaning thereof; provided, however, that the Authority Pooled Program Bonds are special obligations of the Authority, the principal of and interest on which are payable solely from the Trust Estate.

The Authority Pooled Program Bonds of each Series shall not be payable from the general funds of the Authority and shall not constitute a legal or equitable pledge of, or lien or encumbrance upon, any of the assets or property of the Authority or upon any of its income, receipts or revenues, except as provided in this Pooled Program Bond Resolution. The full faith and credit of the Authority are not pledged, either expressly or by implication, to the payment of the Authority Pooled Program Bonds. The Authority has no taxing power and has no claim on any revenues or receipts of the State of New Jersey or any agency or political subdivision thereof other than the County (but solely to the extent of the County Guaranty) or of the Local Units.

**SECTION 8.02. Observance and Performance of Duties, Covenants, Obligations and Agreements; Representations as to Authorization and Validity of Authority Pooled Program Bonds.** The Authority shall faithfully observe and perform at all times all of its duties, covenants, obligations and agreements contained in the Project Agreements, the Local Unit Bonds or in any Authority Pooled Program Bond executed, authenticated and delivered under this Pooled Program Bond Resolution and any Supplemental Resolution or in any proceedings of the Authority pertaining thereto and shall enforce the obligations of the County and the Local Units thereunder.

The Authority represents and covenants that: (i) it is duly authorized under the Constitution and laws of the State of New Jersey, particularly the Act, to issue the Authority Pooled Program Bonds of each Series, to enter into the Project Agreements, the Local Unit Bonds and to pledge the Trust Estate in the manner and to the extent set forth in this Pooled Program Bond Resolution and as shall be set forth in any Supplemental Resolution; (ii) all action on its part for the issuance of the Authority Pooled Program Bonds will be duly and effectively taken; and (iii) the Authority Pooled Program Bonds in the hands of the Holders thereof will be valid and binding special obligations of the Authority enforceable according to their terms.

**SECTION 8.03. Liens, Encumbrances and Charges.** The Authority shall not create or cause to be created and shall not suffer to exist, any lien, encumbrance or charge upon the Trust Estate except the pledge, lien and charge created for the security of Holders of the Authority Pooled Program Bonds. To the extent moneys or securities comprising part of the Trust Estate are received, the Authority will cause to be discharged, or will make adequate provision to satisfy and discharge, within sixty (60) days after the same shall accrue, all lawful claims and demands that if unpaid might by law become a lien upon the Trust Estate; provided, however, that nothing contained in this Section shall require the Authority to pay or cause to be discharged, or make provision for, any such lien, encumbrance or charge so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

So long as Authority Pooled Program Bonds shall be Outstanding, the Authority shall not issue any bonds, notes or other evidences of indebtedness, other than such Authority Pooled Program Bonds, secured by any pledge of or other lien or charge on the Trust Estate. Nothing in this Pooled Program

Bond Resolution is intended to or shall affect the right of the Authority to issue bonds, notes and other obligations under other resolutions or indentures for any of its other purposes.

**SECTION 8.04. Accounts and Audits.** The Authority shall keep, or cause to be kept, proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to each Lease Agreement, each Local Unit Bond, this Pooled Program Bond Resolution and any Supplemental Resolution, which books and accounts (at reasonable hours and subject to the reasonable rules and regulations of the Authority) shall be subject to the inspection of the Pooled Trustee, the Local Units, any Holder of any Authority Pooled Program Bonds or the County or their agents or representatives duly authorized in writing. The Authority shall have the right to cause such books and accounts to be audited annually within ninety (90) days after the end of its fiscal year by a nationally recognized independent certified public accountant selected by the Authority. Annually within thirty (30) days after the receipt by the Authority of the report of such audit, a signed copy of such report shall be furnished to the Pooled Trustee. Such report shall include at least: (i) a statement of all Funds, Accounts and Subaccounts (including investments thereof) held by the Pooled Trustee pursuant to the provisions of this Pooled Program Bond Resolution; (ii) a statement of the moneys or securities comprising the Trust Estate collected in connection with this Pooled Program Bond Resolution; and (iii) a statement that, in making such audit, no knowledge of any default in the fulfillment of any of the terms, covenants or provisions of this Pooled Program Bond Resolution was obtained, or if knowledge of any such default was obtained, a statement thereof.

**SECTION 8.05. Further Assurances.** The Authority will pass, make, do, execute, acknowledge and deliver any and all such further resolutions, indentures, actions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Pooled Program Bond Resolution and for the better assuring and confirming unto the Holders of Authority Pooled Program Bonds and the County the rights and benefits provided in this Pooled Program Bond Resolution.

**SECTION 8.06. Tax Covenants.**

1. The Authority hereby particularly covenants and agrees with the Holders of Authority Pooled Program Bonds issued as Tax-Exempt Bonds that (a) no part of the proceeds derived from the sale of any Series of Authority Pooled Program Bonds shall be used, directly or indirectly, to acquire any "investment obligations" (as such term is defined in the Code) or any securities or obligations the acquisition of which would cause any Authority Pooled Program Bond to be an "arbitrage bond" (as such term is defined in Section 148 of the Code) (an "*Arbitrage Bond*"), and (b) it will not take any actions that, if taken, would cause any of the Authority Pooled Program Bonds to be an Arbitrage Bond.

2. The Authority will not take any actions that, if taken, will cause the interest on Authority Pooled Program Bonds issued as Tax-Exempt Bonds to be includable as gross income under the provisions of the Code.

## ARTICLE IX

### DEFAULT PROVISIONS AND REMEDIES OF POOLED TRUSTEE AND BONDHOLDERS

**SECTION 9.01. Defaults; Events of Default.** If any of the following events occurs, it is hereby defined as and declared to be and to constitute an "Event of Default" for the Authority Pooled Program Bonds:

(a) default in the due and punctual payment of any interest on any Authority Pooled Program Bonds of any Series; or

(b) default in the due and punctual payment of the principal or redemption premium, if any, of any Authority Pooled Program Bonds of any Series; or

(c) if (i) the Authority shall be adjudicated a bankrupt or become subject to an order for relief under federal bankruptcy law, (ii) the Authority shall institute a proceeding seeking an order for relief under federal bankruptcy law or seeking to be adjudicated a bankrupt or insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or all of its debts under New Jersey bankruptcy or insolvency law, (iii) with the consent of the Authority, there shall be appointed a receiver, liquidator or similar official for the Authority under federal bankruptcy law or under New Jersey bankruptcy or insolvency law, or (iv) without the application, approval or consent of the Authority, a receiver, trustee, liquidator or similar official shall be appointed for the Authority under federal bankruptcy law or under New Jersey bankruptcy or insolvency law, or (v) a proceeding described in clause (ii) above shall be instituted against the Authority and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of sixty (60) consecutive days; or

(d) if (i) the Authority shall make an assignment for the benefit of creditors, (ii) the Authority shall apply for or seek the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of its property, (iii) the Authority shall fail to file an answer or other pleading denying the material allegations of any proceeding filed against it described under clause (ii) of paragraph (c) of this Section, (iv) the Authority shall take any action to authorize or effect any of the actions set forth in paragraph (c) or (d) of this Section, (v) the Authority shall fail to contest in good faith any appointment or proceeding described in paragraph (c) or (d) of this Section or (vi) without the application, or approval or consent of the Authority, a receiver, trustee, examiner, liquidator or similar official shall be appointed for any substantial part of the Authority's property and such appointment shall continue undischarged or such proceedings shall continue undismissed or unstayed for a period of thirty (30) consecutive days; or

(e) the Authority shall default in the performance or observance of any other of the duties, covenants, obligations, agreements or conditions on the part of the Authority to be performed or observed under this Pooled Program Bond Resolution or the Authority Pooled Program Bonds of each Series, which default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall be given to the Authority by the Pooled Trustee or the Bondholders in accordance with Section 9.09 hereof.

**SECTION 9.02. Remedies Upon Event of Default.** Upon the occurrence of an Event of Default, the Pooled Trustee may pursue any remedy available to it at law or in equity or by statute; *provided, however*, that the Authority Pooled Program Bonds shall not be subject to acceleration under any circumstances.

No right or remedy by the terms of this Pooled Program Bond Resolution conferred upon or reserved to the Pooled Trustee (or to the Holders of Authority Pooled Program Bonds) is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and shall be in addition to any other right or remedy given to the Pooled Trustee or to such Holders hereunder or now or hereafter existing at law or in equity or by statute. The assertion or employment of any right or remedy shall not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

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

No waiver of any Event of Default hereunder, whether by the Pooled Trustee or by the Holders of any Authority Pooled Program Bonds in default, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

**SECTION 9.03. Right of Holders of Authority Pooled Program Bonds to Direct Proceedings.** Anything in this Pooled Program Bond Resolution to the contrary notwithstanding, the Holders of a majority in aggregate principal amount of Authority Pooled Program Bonds in default then Outstanding shall have the right at any time during the continuance of an Event of Default of such Authority Pooled Program Bonds, by an instrument or instruments in writing executed and delivered to the Pooled Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Pooled Program Bond Resolution, or for the appointment of a receiver or any other proceedings hereunder; provided, however, that such direction shall not be otherwise than in accordance with the provisions of law and of this Pooled Program Bond Resolution.

**SECTION 9.04. Application of Moneys.** All moneys received by the Pooled Trustee pursuant to any right or remedy given or action taken under the provisions of this Article for the payment of the principal of and interest on the Authority Pooled Program Bonds in default (including, without limitation, moneys received by virtue of action taken under the provisions of the applicable Lease Agreement or Local Unit Bond, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Pooled Trustee and any other moneys owed to the Pooled Trustee in connection with the Authority Pooled Program Bonds hereunder), shall be applied first, to the payment of the principal and interest then due and unpaid upon the Authority Pooled Program Bonds in default, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto, without any discrimination or privilege.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Pooled Trustee shall determine, having due regard for the amount of such moneys available for application in the future. Whenever the Pooled Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless the Pooled Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Pooled Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date and shall not be required to make payment to the Holder of any Authority Pooled



Program Bond in default until such obligation shall be presented to the Pooled Trustee for appropriate endorsement or for cancellation, as the case may be.

**SECTION 9.05. Remedies Vested in Pooled Trustee.** All rights of action (including, without limitation, the right to file proofs of claims) under this Pooled Program Bond Resolution or under any of the Authority Pooled Program Bonds in default may be enforced by the Pooled Trustee without possession of any of the Authority Pooled Program Bonds or the production thereof in any trial or other proceeding related thereto and any such suit or proceeding instituted by the Pooled Trustee shall be brought in its name as Pooled Trustee for the equal and ratable benefit of the Holders of all the Outstanding Authority Pooled Program Bonds without the necessity of joining as plaintiffs or defendants any Holders of such Authority Pooled Program Bonds.

**SECTION 9.06. Rights and Remedies of Holders of Authority Pooled Program Bonds.** No Holder of Authority Pooled Program Bonds of any Series then Outstanding in default shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of this Pooled Program Bond Resolution or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless (a) an Event of Default shall have occurred, (b) the Owners of not less than 25% in aggregate principal amount of the Authority Pooled Program Bonds then Outstanding of any Series shall have made written request to the Pooled Trustee and shall have offered it reasonable opportunity either to proceed to exercise the remedies hereinbefore granted or to institute such action, suit or proceeding in its own name, (c) the Holders of such Series shall have offered to the Pooled Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request, and (d) the Pooled Trustee shall have refused, or for sixty (60) days after receipt of such request and offer of indemnification shall have failed to exercise the remedies hereinbefore granted, or to institute such action, suit or proceeding in its own name, and such request and offer of indemnity are hereby declared in every case at the option of the Pooled Trustee to be conditions precedent to the execution of the powers and trusts of this Pooled Program Bond Resolution, and to any action or cause of action for the enforcement of this Pooled Program Bond Resolution, or for the appointment of a receiver or for any other remedy hereunder. It is understood and intended that no one or more Holders of the Authority Pooled Program Bonds of any Series shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Pooled Program Bond Resolution by his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of the Holders of all Authority Pooled Program Bonds of any Series then Outstanding; provided, however, that nothing contained in this Pooled Program Bond Resolution shall affect or impair the right of the Holder of any Authority Pooled Program Bond of any Series to enforce the payment of the principal of and interest on such Authority Pooled Program Bond at and after the maturity thereof, or the obligation of the Authority to pay the principal of and interest on each of the Authority Pooled Program Bonds of any such Series issued hereunder to the respective Holders thereof at the time and place, from the source and in the manner expressed in the Authority Pooled Program Bonds of any such Series, in this Pooled Program Bond Resolution and in the applicable Supplemental Resolution.

**SECTION 9.07. Termination of Proceedings.** In case the Pooled Trustee or a Holder of a Authority Pooled Program Bond in default shall have proceeded to enforce any right under this Pooled Program Bond Resolution by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Pooled Trustee or such Holder, then and in every such case the Authority, the Pooled Trustee and the Holders of any such Authority Pooled Program Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Pooled Trustee and the Holders of any such Authority Pooled Program Bonds shall continue as if no such proceedings had been taken.

**SECTION 9.08. Waivers of Events of Default.** The Pooled Trustee may and, upon the written request of the Holders of 25% in aggregate principal amount of all Authority Pooled Program Bonds in default then Outstanding, shall waive any Event of Default which in its opinion shall have been remedied before the completion of the enforcement of any remedy under this Pooled Program Bond Resolution; but no such waiver shall extend to any subsequent or other Event of Default, or impair any rights consequent thereon.

**SECTION 9.09. Notice of Certain Defaults; Opportunity of the Authority to Cure Defaults.** Anything herein to the contrary notwithstanding, no Default under Section 9.01(e) hereof shall constitute an Event of Default until actual notice of such Default shall be given to the Authority by registered or certified mail by the Pooled Trustee or by the Holders of not less than 25% in aggregate principal amount of all Authority Pooled Program Bonds of any such Series then Outstanding and the Authority shall not have corrected the Default or caused the Default to be corrected within thirty (30) days following the giving of such notice; provided, however, that if the Default be such that it is correctable but cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the Authority within the applicable period and diligently pursued until the Default is corrected.

The Authority hereby grants to the Pooled Trustee full authority for the account of the Authority to observe or perform any duty, covenant, obligation or agreement alleged in any alleged Default concerning which notice is given to the Authority under the provisions of this Section in the name and stead of the Authority with full power to do any and all things and acts to the same extent that the Authority could do and perform any such things and acts and with full power of substitution.

## **ARTICLE X**

### **FIDUCIARIES**

**SECTION 10.01. Appointments, Duties, Immunities and Liabilities of Pooled Trustee.** U.S. Bank National Association, Edison, New Jersey, has been appointed as Pooled Trustee by the Authority. The Pooled Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Pooled Program Bond Resolution and all other agreements with the Authority by executing and delivering to the Authority a written acceptance thereof, and by executing such acceptance, the Pooled Trustee shall be deemed to have accepted such duties and obligations with respect to all the Authority Pooled Program Bonds thereafter to be validly issued, but only, however, upon the terms and conditions set forth in this Pooled Program Bond Resolution, the Project Agreements and the Local Unit Bonds.

#### **SECTION 10.02. Paying Agents; Appointments.**

1. The Pooled Trustee is hereby appointed Paying Agent for the Authority Pooled Program Bonds. The Authority shall appoint one or more Paying Agents for the Authority Pooled Program Bonds of each additional Series, and may at any time or from time to time appoint one or more other Paying Agents having the qualifications set forth in Section 10.13 hereof for a successor Paying Agent.

2. Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Pooled Program Bond Resolution by executing and delivering to the Authority and to the Pooled Trustee a written acceptance thereof.

3. Unless otherwise provided, the principal corporate trust offices of the Paying Agents are designated as the respective offices or agencies of the Authority for the payment of the interest on and principal of the Authority Pooled Program Bonds.

4. The Authority may, with the consent of the Paying Agent, enter into agreements with any Paying Agent providing for the payment to the Authority of amounts in respect of interest earned on moneys held by such Paying Agent for the payment of principal of and interest on Authority Pooled Program Bonds. Any such payments to the Authority shall be deposited in the Debt Service Fund and applied as part of the Trust Estate.

#### **SECTION 10.03. Responsibilities of Fiduciaries.**

1. The recitals of fact contained herein and in the Authority Pooled Program Bonds shall be taken as the statements of the Authority and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representation as to the validity or sufficiency of this Pooled Program Bond Resolution or of any Authority Pooled Program Bonds issued hereunder or as to the security afforded by this Pooled Program Bond Resolution, and no Fiduciary shall incur any liability in respect thereof. The Pooled Trustee shall, however, be responsible for its representation contained in its certificate on the Authority Pooled Program Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to the Authority or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect thereof, including without limitation proceeding with ultimate remedies such as foreclosure, or to advance any of its own moneys, unless properly indemnified by the County, the Bondholders, the Local Units or the Authority. Subject to the provisions of subsection 2 of this Section 10.03, no Fiduciary shall be liable in connection with the observance and performance of its duties and obligations hereunder except for its own negligence or willful misconduct.

2. The Pooled Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and obligations and only such duties and obligations as are specifically set forth in this Pooled Program Bond Resolution. In case an Event of Default has occurred (which has not been cured) the Pooled Trustee shall exercise such of the rights and powers granted to it by this Pooled Program Bond Resolution, and use the same degree of care and skill in its exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Any provision of this Pooled Program Bond Resolution relating to action taken or to be taken by the Pooled Trustee or to evidence upon which the Pooled Trustee may rely shall be subject to the provisions of this Section 10.03.

#### **SECTION 10.04. Evidence on Which Fiduciaries May Act.**

1. Each Fiduciary, upon receipt of any notice, Supplemental Resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of this Pooled Program Bond Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Pooled Program Bond Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with Counsel, who may or may not be counsel to the Authority, and the opinion of such Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Pooled Program Bond Resolution in good faith and in accordance herewith.

2. Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Pooled Program Bond Resolution, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer of the Authority, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Pooled Program Bond Resolution upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

3. Except as otherwise expressly provided in this Pooled Program Bond Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the Authority to any Fiduciary shall be sufficiently executed in the name of the Authority by an Authorized Officer of the Authority.

4. Whenever any Fiduciary shall receive any notice, Supplemental Resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it via telecopy pursuant to any provision of this Pooled Program Bond Resolution, the Fiduciary shall accept same; provided, however, that the original of any notice, Supplemental Resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of this Pooled Program Bond Resolution shall be forwarded to the Fiduciary immediately thereafter.

**SECTION 10.05. Compensation.** The Authority shall pay each Fiduciary from time to time reasonable compensation for all services rendered under this Pooled Program Bond Resolution, including without limitation the services rendered pursuant to Section 12.01 hereof, and also all reasonable expenses incurred in and about the performance of their powers and duties under this Pooled Program Bond Resolution and each Fiduciary shall have a lien therefor on any and all Funds and Accounts, other than the Rebate Fund, at any time held by it under this Pooled Program Bond Resolution. Subject to the provisions of Section 10.03 hereof, the Authority further agrees to indemnify and save each Fiduciary

harmless against any losses, liabilities or expenses (including legal fees) which it may incur in the exercise and performance of its powers, duties and obligations hereunder, and which are not due to its negligence or willful misconduct, and that such indemnity shall survive the payment of the Authority Pooled Program Bonds and the discharge of this Pooled Program Bond Resolution.

**SECTION 10.06. Certain Permitted Acts.** Any Fiduciary may become the Holder of any Authority Pooled Program Bonds, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Authority Pooled Program Bonds of any Series or this Pooled Program Bond Resolution, whether or not any such committee shall represent the Holders of a majority in principal amount of the Authority Pooled Program Bonds of any Series then Outstanding.

**SECTION 10.07. Resignation of Pooled Trustee.** The Pooled Trustee may at any time resign and be discharged of the duties and obligations created by this Pooled Program Bond Resolution by giving not less than sixty (60) days' written notice to the Authority and the County, and mailing notice thereof to the Holders of the Authority Pooled Program Bonds then Outstanding, specifying the date when such resignation shall take effect, and such resignation shall take effect upon the day specified in such notice unless previously a successor shall have been appointed by the Authority or the Bondholders as provided in Section 10.09 hereof, in which event such resignation shall take effect immediately on the appointment of such successor, or unless a successor shall not have been appointed by the Authority or the Bondholders as provided in Section 10.09 hereof on that date, in which event such resignation shall not take effect until a successor is appointed.

**SECTION 10.08. Removal of Pooled Trustee.** The Pooled Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Pooled Trustee, and signed by the Holders of a majority in principal amount of the Authority Pooled Program Bonds of each Series then Outstanding or their attorneys-in-fact duly authorized, excluding any Authority Pooled Program Bonds held by or for the account of the Authority. So long as no Event of Default, or any event which, with notice or passage of time, or both, would become an Event of Default, shall have occurred and be continuing, the Pooled Trustee may be removed at any time for just cause (as determined in the sole judgment of the Authority) by a resolution of the Authority filed with the Pooled Trustee. Any such removal shall take effect upon the day specified in such instrument or concurrent instruments or resolution, as the case may be, unless previously a successor shall have been appointed by the Authority or the Bondholders as provided in Section 10.09 hereof, in which event such resignation shall take effect immediately on the appointment of such successor, or unless a successor shall not have been appointed by the Authority or the Bondholders as provided in Section 10.09 hereof on that date, in which event such resignation shall not take effect until a successor is appointed.

**SECTION 10.09. Appointment of Successor Pooled Trustee.**

1. In case at any time the Pooled Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Pooled Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Pooled Trustee, or of its property or affairs, a successor may be appointed by the Authority by a duly executed written instrument signed by an Authorized Officer of the Authority, but if the Authority does not appoint a successor Pooled Trustee within forty-five (45) days then by the Holders of a majority in principal amount of the Authority Pooled Program Bonds of each Series then Outstanding, excluding any Authority Pooled Program Bonds held by or for the account of the Authority, by an

instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to such successor Pooled Trustee, notification thereof being given to the Authority and the predecessor Pooled Trustee. After such appointment of a successor Pooled Trustee, the Authority shall mail notice of any such appointment made by it or the Bondholders to the Holders of the Authority Pooled Program Bonds then Outstanding and to the County.

2. If in a proper case no appointment of a successor Pooled Trustee shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Pooled Trustee shall have given to the Authority written notice as provided in Section 10.07 hereof or after a vacancy in the office of the Pooled Trustee shall have occurred by reason of its inability to act, the Pooled Trustee or the Holder of any Authority Pooled Program Bond may apply to any court of competent jurisdiction to appoint a successor Pooled Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Pooled Trustee.

3. Any Pooled Trustee appointed under the provisions of this Section in succession to the Pooled Trustee shall be a bank or trust company or national banking association, doing business and having its principal office in the City and State of New York or the State of New Jersey, and having capital stock and surplus aggregating at least \$50,000,000 if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Pooled Program Bond Resolution.

**SECTION 10.10. Transfer of Rights and Property to Successor Pooled Trustee.** Any successor Pooled Trustee appointed under this Pooled Program Bond Resolution shall execute, acknowledge and deliver to its predecessor Pooled Trustee, and also to the Authority, an instrument accepting such appointment, and thereupon such successor Pooled Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Pooled Trustee, with like effect as if originally named as Pooled Trustee; but the Pooled Trustee ceasing to act shall nevertheless, on the written request of the Authority, or of the successor Pooled Trustee, execute, acknowledge and deliver such instrument of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Pooled Trustee all the right, title and interest of the predecessor Pooled Trustee in and to any property held by it under this Pooled Program Bond Resolution, and shall pay over, assign and deliver to the successor Pooled Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Authority be required by such successor Pooled Trustee for more fully and certainly vesting in and confirming to such successor Pooled Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Authority. Any such successor Pooled Trustee shall promptly notify the Paying Agents of its appointment as Pooled Trustee.

**SECTION 10.11. Merger or Consolidation.** Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company (i) shall be a bank or trust company organized under the laws of any state of the United States or a national banking association and (ii) shall be authorized by law to perform all the duties imposed upon it by this Pooled Program Bond Resolution, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

**SECTION 10.12. Adoption of Authentication.** In case any of the Authority Pooled Program Bonds contemplated to be issued under this Pooled Program Bond Resolution shall have been authenticated but not delivered, any successor Pooled Trustee may adopt the certificate of authentication of any predecessor Pooled Trustee so authenticating such Authority Pooled Program Bonds and deliver such Authority Pooled Program Bonds so authenticated; and in case any of the said Authority Pooled Program Bonds shall not have been authenticated, any successor Pooled Trustee may authenticate such Authority Pooled Program Bonds in the name of the predecessor Pooled Trustee, or in the name of the successor Pooled Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Authority Pooled Program Bonds or in this Pooled Program Bond Resolution provided that the certificate of the Pooled Trustee shall have.

**SECTION 10.13. Resignation or Removal of Paying Agent and Appointment of Successor.**

1. Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this Pooled Program Bond Resolution by giving at least sixty (60) days' written notice to the Authority, the Pooled Trustee and the County and the other Paying Agents. Any Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the Pooled Trustee and signed by an Authorized Officer of the Authority. Any successor Paying Agent shall be appointed by the Authority with the approval of the Pooled Trustee and shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, having capital stock and surplus aggregating at least \$20,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all duties imposed upon it by this Pooled Program Bond Resolution.

2. In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Pooled Trustee. In the event that for any reason there shall be a vacancy in the office of any Paying Agent, the Pooled Trustee shall act as such Paying Agent.

## ARTICLE XI

### AMENDMENTS

#### **SECTION 11.01. Supplemental Resolutions Effective Upon Filing With Pooled Trustee.**

For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the Authority may be adopted, which, upon the filing with the Pooled Trustee of a copy thereof certified by an Authorized Officer of the Authority, shall be fully effective in accordance with its terms:

(a) To add to the duties, covenants, obligations and agreements of the Authority in this Pooled Program Bond Resolution, other duties, covenants, obligations and agreements to be observed and performed by the Authority which are not contrary to or inconsistent with this Pooled Program Bond Resolution as theretofore in effect;

(b) To add to the limitations and restrictions in this Pooled Program Bond Resolution, other limitations and restrictions to be observed by the Authority which are not contrary to or inconsistent with this Pooled Program Bond Resolution as theretofore in effect;

(c) To confirm as further assurance, any security interest, pledge or assignment under this Pooled Program Bond Resolution, and the subjection of the Trust Estate or of any other monies, securities or funds to any security interest, pledge or assignment created or to be created by this Pooled Program Bond Resolution; or

(d) To authorize Bonds of a Series and , in connection therewith, to specify and determine the matters and things referred to in Article II hereof and any other matters and things relative to such Bonds, including whether to issue Bonds in book-entry form, that are not contrary to or inconsistent with this Pooled Program Bond Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination contained in Article II hereof at any time prior to the first authentication and delivery of such Series of Bonds; or

(e) To comply with the provisions of any federal or state securities law, including, without limitation, the Trust Indenture Act of 1939, as amended, or to comply with Section 103 of the Code, as amended, replaced or substituted.

**SECTION 11.02. Supplemental Resolutions Effective Upon Consent of Pooled Trustee.** For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution may be adopted, which, upon (i) the filing with the Pooled Trustee of a copy thereof certified by an Authorized Officer of the Authority, and (ii) the filing with the Authority of an instrument in writing made by the Pooled Trustee consenting thereto, shall be fully effective in accordance with its terms:

(a) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provisions in this Pooled Program Bond Resolution;

(b) To insert such provisions clarifying matters or questions arising under this Pooled Program Bond Resolution as are necessary or desirable and are not contrary to or inconsistent with this Pooled Program Bond Resolution as theretofore in effect; or



(c) To make any other modification or amendment of this Pooled Program Bond Resolution which will not have a material adverse effect on the interests of Bondholders.

In making any determination under this Section 11.02, the Pooled Trustee may conclusively rely upon an opinion of Counsel.

**SECTION 11.03. Supplemental Resolutions Effective With Consent of Bondholders.** At any time or from time to time, a Supplemental Resolution may be adopted subject to consent by the Bondholders in accordance with and subject to the provisions of Sections 11.06 and 11.07 hereof, which Supplemental Resolution, upon the filing with the Pooled Trustee of a copy thereof certified by an Authorized Officer of the Authority and upon compliance with the provisions of said Sections 11.06 and 11.07, shall become fully effective in accordance with its terms as provided in said Section 11.07. Provided, however, any Supplemental Resolution which by its terms only affects one or more Series of Authority Pooled Program Bonds may be adopted subject to the consent of the Bondholders of the Series of Authority Pooled Program Bonds so affected.

**SECTION 11.04. General Provisions.**

1. This Pooled Program Bond Resolution shall not be modified or amended in any respect except by a Supplemental Resolution as provided in and in accordance with and subject to the provisions of this Article XI. Nothing contained in this Article XI shall affect or limit the right or obligation of the Authority to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument pursuant to the provisions of this Pooled Program Bond Resolution or the right or obligation of the Authority to execute and deliver to any Pooled Trustee any instrument which elsewhere in this Pooled Program Bond Resolution it is provided shall be delivered to said Pooled Trustee.

2. Any Supplemental Resolution referred to and permitted or authorized by Section 11.01 or 11.02 hereof may be adopted by the Authority without the consent of any of the Bondholders, but shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. The copy of every Supplemental Resolution when filed with the Pooled Trustee shall be accompanied by an opinion of Counsel stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of this Pooled Program Bond Resolution, is authorized or permitted by this Pooled Program Bond Resolution, and is valid and binding upon the Authority in accordance with its terms.

3. The Pooled Trustee is hereby authorized to accept the delivery of a certified copy of any Supplemental Resolution referred to and permitted or authorized by Sections 11.01, 11.02 or 11.03 hereof and to make all further agreements and stipulations which may be therein contained, and the Pooled Trustee, in taking such action, shall be fully protected in relying on an opinion of Counsel that such Supplemental Resolution is authorized or permitted by the provisions of this Pooled Program Bond Resolution.

4. No Supplemental Resolution shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

**SECTION 11.05. Mailing.** Any provision in this Article for the mailing of a notice or other paper to Holders of Authority Pooled Program Bonds shall be fully complied with if it is mailed, postage prepaid only, to each registered owner of Authority Pooled Program Bonds then Outstanding at his address, if any, appearing upon the registry books of the Authority.

**SECTION 11.06. Powers of Amendment by Supplemental Resolution.** Unless otherwise permitted under Section 11.01 or Section 11.02 hereof, any modification or amendment of this Pooled Program Bond Resolution and of the rights and obligations of the Authority and of the Holders of the Authority Pooled Program Bonds hereunder, in any particular, may be made only by a Supplemental Resolution with the written consent (i) of the Holders of not less than two-thirds (2/3) in principal amount of the Authority Pooled Program Bonds Outstanding at the time such consent is given and (ii) in case less than all of the several Series of Authority Pooled Program Bonds then Outstanding are affected by the modification or amendment, of the Holders of not less than two-thirds (2/3) in principal amount of the Authority Pooled Program Bonds of each Series so affected and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Authority Pooled Program Bonds of any specified like Series and maturity remain Outstanding the consent of the Holders of such Authority Pooled Program Bonds shall not be required and such Authority Pooled Program Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Authority Pooled Program Bonds under this Section. No such modification or amendment shall permit a change in the terms of maturity of the principal of any Outstanding Authority Pooled Program Bond or of any installment of interest thereon or a reduction in the principal amount thereof or in the rate of interest thereon without the consent of the Holder of such obligation, or shall reduce the percentages or otherwise affect the classes of Authority Pooled Program Bonds the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Pooled Trustee without its written assent thereto. For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of this Pooled Program Bond Resolution if the same adversely affects or diminishes the rights of the Holders of Authority Pooled Program Bonds of such Series. The Pooled Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment Authority Pooled Program Bonds of any particular Series or maturity would be affected by any modification or amendment of this Pooled Program Bond Resolution and any such determination shall be binding and conclusive on the Authority and all Holders of Authority Pooled Program Bonds. For purposes of this Section, the Holders of any Authority Pooled Program Bonds may include the initial Holders thereof, regardless of whether such Authority Pooled Program Bonds are being held for resale.

**SECTION 11.07. Consent of Bondholders.** The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of Section 11.06 hereof to take effect when and as provided in this Section. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Pooled Trustee), together with a request to Holders of Authority Pooled Program Bonds for their consent thereto in form satisfactory to the Pooled Trustee, shall be mailed by the Authority to the Holders of Authority Pooled Program Bonds (but failure to mail such copy and request shall not affect the validity of the Supplemental Resolution when consented to as in this Section provided). Such Supplemental Resolution shall not be effective unless and until there shall have been filed with the Pooled Trustee (a) the written consent of the Holders of the percentages of Outstanding Authority Pooled Program Bonds specified in Section 11.06 hereof and (b) an opinion of Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of this Pooled Program Bond Resolution, is authorized or permitted by this Pooled Program Bond Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms. It shall not be necessary that the consents of the Holders of Authority Pooled Program Bonds approve the particular form of wording of the proposed modification or amendment or of the proposed Supplemental Resolution effecting such modification or amendment, but it shall be sufficient if such consents approve the substance of the proposed amendment or modification. Each such consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Authority Pooled Program Bonds with respect to which

such consent is given, which proof shall be such as is permitted by Section 12.02 hereof. A certificate or certificates executed by the Pooled Trustee and filed with the Authority stating that it has examined such proof and that such proof is sufficient in accordance with Section 12.02 hereof shall be conclusive that the consents have been given by the Holders of the Authority Pooled Program Bonds described in such certificate or certificates of the Pooled Trustee. Any such consent shall be binding upon the Holder of the Authority Pooled Program Bonds giving such consent and, anything in Section 12.02 hereof to the contrary notwithstanding, upon any subsequent Holder of such Authority Pooled Program Bonds and of any Authority Pooled Program Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof) unless such consent is revoked in writing by the Holder of such Authority Pooled Program Bonds giving such consent or a subsequent Holder thereof by filing with the Pooled Trustee, prior to the time when the written statement of the Pooled Trustee hereinafter in this Section 11.07 provided for is filed, such revocation and proof that such Authority Pooled Program Bonds are held by the signer of such revocation in the manner permitted by Section 12.02 hereof. The fact that a consent has not been revoked may likewise be proved by a certificate of the Pooled Trustee filed with the Authority to the effect that no revocation thereof is on file with the Pooled Trustee.

At any time after the Holders of the required percentages of Authority Pooled Program Bonds shall have filed their consents to the Supplemental Resolution, the Pooled Trustee shall make and file with the Authority a written statement that the Holders of such required percentages of such Authority Pooled Program Bonds have filed such consents. Such written statements shall be conclusive that such consents have been so filed. At any time thereafter, notice stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Authority on a stated date, a copy of which is on file with the Pooled Trustee) has been consented to by the Holders of the required percentages of Authority Pooled Program Bonds and will be effective as provided in this Section 11.07, may be given to Bondholders by the Authority by mailing such notice to Bondholders (but failure to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section 11.07 provided). The Authority shall file with the Pooled Trustee proof of the mailing thereof. A record, consisting of the certificates or statements required or permitted by this Section 11.07 to be made by the Pooled Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Authority, the Fiduciaries and the Holders of all Authority Pooled Program Bonds at the expiration of forty (40) days after the filing with the Pooled Trustee of the proof of the mailings of such last-mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such forty (40) day period; provided, however, that any Fiduciary and the Authority during such forty (40) day period and any such further period during which any such action or proceeding may be pending shall be entitled in its absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as it may deem expedient.

**SECTION 11.08. Modifications or Amendments by Unanimous Consent.** The terms and provisions of this Pooled Program Bond Resolution and the rights and obligations of the Authority and of the Holders of the Authority Pooled Program Bonds thereunder may be modified or amended in any respect upon the adoption and filing by the Authority of a Supplemental Resolution and the consent of the Holders of all of the Authority Pooled Program Bonds then Outstanding, such consent to be given as provided in Section 11.07 hereof except that no notice to Holders of Authority Pooled Program Bonds either by mailing or publication shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without the filing with the Pooled Trustee of the written assent thereto of such Fiduciary in addition to the consent of the Holders of Authority Pooled Program Bonds.

**SECTION 11.09. Exclusion of Authority Pooled Program Bonds.** Authority Pooled Program Bonds owned or held by or for the account of the Authority shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Authority Pooled Program Bonds provided for in this Article XI, and the Authority shall not be entitled with respect to such Authority Pooled Program Bonds to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the Authority shall furnish the Pooled Trustee a certificate of an Authorized Officer of the Authority, upon which the Pooled Trustee may rely, describing all Authority Pooled Program Bonds so to be excluded.

**SECTION 11.10. Notation on Authority Pooled Program Bonds.** Authority Pooled Program Bonds authenticated and delivered after the effective date of any Supplemental Resolution pursuant to this Article XI may, and, if the Authority or the Pooled Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Pooled Trustee as to any modification or amendment provided for in such Supplemental Resolution and, in that case upon demand of the Holder of any Authority Pooled Program Bond Outstanding and upon presentation of any Authority Pooled Program Bond for such purpose at the principal corporate trust office of the Pooled Trustee, a suitable notation shall be made on such Bond. If the Authority or the Pooled Trustee shall so determine, new Authority Pooled Program Bonds so modified as to conform, in the opinion of the Pooled Trustee and the Authority, to any modification or amendment contained in such Supplemental Resolution, shall be prepared, authenticated and delivered and upon demand of the Holder of any Authority Pooled Program Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Authority Pooled Program Bonds of the same Series, principal amount, maturity and interest rate then Outstanding, upon surrender of such Authority Pooled Program Bonds. Any action taken as in Article X hereof or this Article XI provided shall be effective and binding upon all Bondholders notwithstanding that the notation is not endorsed on all Authority Pooled Program Bonds.

**SECTION 11.11. Effect of Supplemental Resolution.** Upon the effective date of any Supplemental Resolution, this Pooled Program Bond Resolution shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, covenants, obligations and agreements under this Pooled Program Bond Resolution of the Authority, the Pooled Trustee and all Holders of Authority Pooled Program Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Resolution shall be deemed to be part of the terms and conditions of this Pooled Program Bond Resolution for any and all purposes.

**SECTION 11.12. Notice of Amendments.** Promptly after the adoption by the Authority of any Supplemental Resolution, the Pooled Trustee shall mail a notice, setting forth in general terms the substance thereof, to the Bondholders of a Series of Authority Pooled Program Bonds of record as of the last Business Day of the month preceding the date of any such adoption affected by such amendment. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Resolution.

**SECTION 11.13. Consent of County.** Notwithstanding anything in this Pooled Program Bond Resolution to the contrary this Pooled Program Bond Resolution shall not be modified, amended or supplemented without the consent of the County, so long as the County is not in default under the County Guaranty.

## ARTICLE XII

### DEFEASANCE

#### SECTION 12.01. Defeasance of Authority Pooled Program Bonds.

1. If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Authority Pooled Program Bonds of any Series the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated in the Authority Pooled Program Bonds and in the Pooled Program Bond Resolution, then the pledge of the Trust Estate, and all duties, covenants, agreements and other obligations of the Authority to the Authority Pooled Program Bondholders of such Series, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Pooled Trustee shall cause an accounting for such period or periods as shall be requested by the Authority to be prepared and filed with the Authority and, upon the request of the Authority, shall execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction, and the Pooled Trustee shall pay over or deliver to the Authority all moneys or securities held by it pursuant to this Pooled Program Bond Resolution which are not required for the payment of principal or Redemption Price, if applicable, and interest due or to become due on Authority Pooled Program Bonds of any Series not theretofore surrendered for such payment or redemption. If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of any Outstanding Authority Pooled Program Bonds of any Series the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Pooled Program Bond Resolution, such Authority Pooled Program Bonds shall cease to be entitled to any lien, benefit or security under the Pooled Program Bond Resolution, and all duties, covenants, agreements and obligations of the Authority to the Holders of such Authority Pooled Program Bonds shall thereupon cease, terminate and become void and be discharged and satisfied. Notwithstanding any other provision in this Article XII, all duties, covenants, agreements and obligations of the Authority to the Holders relating to the exclusion of interest from gross income of the Holders of such Authority Pooled Program Bonds for Federal income tax purposes shall survive the defeasance of the Authority Pooled Program Bonds.

2. Authority Pooled Program Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Paying Agents (through deposit by the Authority of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (1) of this Section. Subject to the provisions of subsections (3) through (5) of this Section, Outstanding Authority Pooled Program Bonds of any Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (1) of this Section if (a) in case any of said Authority Pooled Program Bonds are to be redeemed on any date prior to their stated maturities, the Authority shall have given to the Pooled Trustee instructions in writing accepted by the Pooled Trustee to mail notice of redemption of such Authority Pooled Program Bonds (other than Authority Pooled Program Bonds of a Series which have been purchased by the Pooled Trustee at the direction of the Authority or purchased or otherwise acquired by the Authority and delivered to the Pooled Trustee as hereinafter provided prior to the mailing of such notice of redemption) on said date, (b) there shall have been deposited with the Pooled Trustee either moneys in an amount which shall be sufficient, or Investment Securities (including any Investment Securities issued or held in book-entry form on the books of the Department of the Treasury of the United States) the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Pooled Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on such Series of

Authority Pooled Program Bonds on or prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event such Series of Authority Pooled Program Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Pooled Trustee in form satisfactory to it instructions to mail, as soon as practicable, a notice to the Holders of such Authority Pooled Program Bonds at their last addresses appearing upon the registry books at the close of business on the last business day of the month preceding the month for which notice is mailed that the deposit required by (b) above has been made with the Pooled Trustee and that such Series of Authority Pooled Program Bonds are deemed to have been paid in accordance with this Section 12.01 and stating such maturity or redemption date upon which moneys are expected, subject to the provisions of subsection (5) of this Section 12.01, to be available for the payment of the principal or Redemption Price, if applicable, of such Series of Authority Pooled Program Bonds (other than Authority Pooled Program Bonds which have been purchased by the Pooled Trustee at the direction of the Authority or purchased or otherwise acquired by the Authority and delivered to the Pooled Trustee as hereinafter provided prior to the mailing of the notice of redemption referred to in clause (a) hereof). Any notice of redemption mailed pursuant to the preceding sentence with respect to any Series of Authority Pooled Program Bonds which constitutes less than all of the Outstanding Authority Pooled Program Bonds of any maturity within a Series shall specify the letter and number or other distinguishing mark of each such Authority Pooled Program Bond. The Pooled Trustee shall, as and to the extent necessary, apply moneys held by it pursuant to this Section 12.01 to the retirement of said Authority Pooled Program Bonds in amounts equal to the unsatisfied balances of any installments of principal with respect to such Authority Pooled Program Bonds, all in the manner provided in this Pooled Program Bond Resolution.

The Pooled Trustee shall, if so directed by the Authority (i) prior to the maturity date of Authority Pooled Program Bonds deemed to have been paid in accordance with this Section 12.01 which are not to be redeemed prior to their maturity date or (ii) prior to the mailing of the notice of redemption referred to in clause (a) above with respect to any Authority Pooled Program Bonds deemed to have paid in accordance with this Section 12.01 which are to be redeemed on any date prior to their maturity, apply moneys deposited with the Pooled Trustee in respect of such Authority Pooled Program Bonds and redeem or sell Investment Securities so deposited with the Pooled Trustee and apply the proceeds thereof to the purchase of such Authority Pooled Program Bonds and the Pooled Trustee shall immediately thereafter cancel all such Authority Pooled Program Bonds so purchased; provided, however, that the moneys and Investment Securities remaining on deposit with the Pooled Trustee after the purchase and cancellation of such Authority Pooled Program Bonds shall be sufficient to pay when due the principal or Redemption Price, if applicable, and interest due or to become due on all Authority Pooled Program Bonds in respect of which such moneys and Investment Securities are being held by the Pooled Trustee on or prior to the redemption date or maturity date thereof, as the case may be. If, at any time (i) prior to the maturity date of Authority Pooled Program Bonds deemed to have been paid in accordance with Section 12.01 which are not to be redeemed prior to their maturity date or (ii) prior to the mailing of the notice of redemption referred to in clause (a) with respect to any Authority Pooled Program Bonds deemed to have been paid in accordance with this Section 12.01 which are to be redeemed on any date prior to their maturity, the Authority shall purchase or otherwise acquire any such Authority Pooled Program Bonds and deliver such Authority Pooled Program Bonds to the Pooled Trustee prior to their maturity date or redemption date, as the case may be, the Pooled Trustee shall immediately cancel all such Authority Pooled Program Bonds so delivered; such delivery of Authority Pooled Program Bonds to the Pooled Trustee shall be accompanied by directions from the Authority to the Pooled Trustee as to the manner in which such Authority Pooled Program Bonds are to be applied against the obligation of the Pooled Trustee to pay or redeem Authority Pooled Program Bonds deemed paid in accordance with this Section 12.01. The directions given by the Authority to the Pooled Trustee referred to in the preceding sentence shall also specify the portion, if any, of such Authority Pooled Program Bonds so purchased or

delivered and canceled to be applied against the obligation of the Pooled Trustee to pay Authority Pooled Program Bonds deemed paid in accordance with this Section 12.01 upon their maturity date or dates and the portion, if any, of such Authority Pooled Program Bonds so purchased or delivered and canceled to be applied against the obligation of the Pooled Trustee to redeem Authority Pooled Program Bonds deemed paid in accordance with this Section 12.01 on any date or dates prior to their maturity. In the event that on any date as a result of any purchases, acquisitions and cancellations of Authority Pooled Program Bonds as provided in this Section 12.01 the total amount of moneys and Investment Securities remaining on deposit with the Pooled Trustee under this Section 12.01 is in excess of the total amount which would have been required to be deposited with the Pooled Trustee on such date in respect of the remaining Authority Pooled Program Bonds of such Series in order to satisfy clause (b) of this subsection 2 of Section 12.01, the Pooled Trustee shall, if requested by the Authority, pay the amount of such excess to the Authority free and clear of any trust, lien, security interest, pledge or assignment securing said Authority Pooled Program Bonds or otherwise existing under this Pooled Program Bond Resolution. Except as otherwise provided in this subsection 2 and in subsection 3 through subsection 5 of this Section 12.01, neither Investment Securities nor moneys deposited with the Pooled Trustee pursuant to this Section nor principal or interest payments on any such Investment Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Authority Pooled Program Bonds; provided that any cash received from such principal or interest payments on such Investment Securities deposited with the Pooled Trustee, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Authority as received by the Pooled Trustee, free and clear of any trust, lien or pledge securing said Authority Pooled Program Bonds or otherwise existing under the Pooled Program Bond Resolution, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Investment Securities maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Authority Pooled Program Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Authority, as received by the Pooled Trustee, free and clear of any trust, lien, security interest, pledge or assignment securing said Authority Pooled Program Bonds or otherwise existing under the Pooled Program Bond Resolution.

For the purposes of this Section, Investment Securities shall mean and include only (y) cash, direct non-callable obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which obligation or guarantee the full faith and credit of the United States of America has been pledged, which shall not be subject to redemption prior to their maturity other than at the option of the holder thereof, or (z) upon compliance with the provisions of subsection 3 of this Section 12.01, cash, direct non-callable obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which obligation or guarantee the full faith and credit of the United States of America has been pledged, which are subject to redemption prior to maturity at the option of the issuer thereof on a specified date or dates.

3. Investment Securities described in clause (z) of subsection 2 of Section 12.01 may be included in the Investment Securities deposited with the Pooled Trustee in order to satisfy the requirements of clause (b) of subsection 2 of Section 12.01 only if, in making the determination as to whether the moneys and Investment Securities to be deposited with the Pooled Trustee would be sufficient to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on the Authority Pooled Program Bonds which will be deemed to have been paid as provided in subsection 2 of Section 12.01, such determination is made both (i) on the assumption that the Investment Securities described in clause (z) were not redeemed at the option of the issuer prior to the maturity date thereof and (ii) on the assumptions that such Investment Securities were redeemed by the

issuer thereof at its option on each date on which such option could be exercised, that as of such date or dates interest ceased to accrue on such Investment Securities and that the proceeds of such redemption were not reinvested by the Pooled Trustee.

4. In the event that after compliance with the provisions of subsection 3 of Section 12.01 the Investment Securities described in clause (z) of subsection 2 of Section 12.01 are included in the Investment Securities deposited with the Pooled Trustee in order to satisfy the requirements of clause (b) of subsection 2 of Section 12.01 and any such Investment Securities are actually redeemed by the issuer thereof prior to their maturity date, then the Pooled Trustee at the direction of the Authority shall reinvest the proceeds of such redemption in Investment Securities, provided that the aggregate of the moneys and Investment Securities to be held by the Pooled Trustee, taking into account any changes in redemption dates or instructions to give notice of redemption given to the Pooled Trustee by the Authority in accordance with subsection 5 of Section 12.01, shall at all times be sufficient to satisfy the requirements of clause (b) of subsection 2 of Section 12.01.

5. In the event that after compliance with the provisions of subsection 3 of Section 12.01 the Investment Securities described in clause (z) of subsection 2 of Section 12.01 are included in the Investment Securities deposited with the Pooled Trustee in order to satisfy the requirements of clause (b) of subsection 2 of Section 12.01, then any notice of redemption to be published by the Pooled Trustee and any set of instructions relating to a notice of redemption given to the Pooled Trustee may provide, at the option of the Authority, that any redemption date or dates in respect of all of any portion of the Authority Pooled Program Bonds to be redeemed on such date or dates may at the option of the Authority be changed to any other permissible redemption date or dates and that redemption dates may be established for any Authority Pooled Program Bonds deemed to have been paid in accordance with this Section 12.01 upon their maturity date or dates at any time prior to the actual mailing of any applicable notice of redemption in the event that all or any portion of any Investment Securities described in clause (z) of subsection 2 of this Section 12.01 have been called for redemption pursuant to an irrevocable notice of redemption or have been redeemed by the issuer thereof prior to the maturity date thereof; no such change of redemption date or dates or establishment of redemption date or dates may be made unless, taking into account such changed redemption date or dates or newly established redemption date or dates, the moneys and Investment Securities on deposit with the Pooled Trustee (including any Investment Securities deposited with the Pooled Trustee in connection with any reinvestment of redemption proceeds in accordance with subsection 5 of Section 12.01) pursuant to clause (b) of subsection 2 of Section 12.01 would be sufficient to pay when due the principal and Redemption Price, if applicable, and interest on all Authority Pooled Program Bonds deemed to have been paid in accordance with subsection 2 of Section 12.01.

6. Anything in the Pooled Program Bond Resolution to the contrary notwithstanding, any moneys held by a Fiduciary in trust for the payment and discharge of any of the Authority Pooled Program Bonds which remain unclaimed for six years after the later of (i) the date when such Authority Pooled Program Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption or (ii) the date of deposit of such moneys, shall at the written request of the Authority be repaid by the Fiduciary to the Authority as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Authority Pooled Program Bondholders shall look only to the Authority for the payment of such Authority Pooled Program Bonds; provided, however, that before being required to make any such payment to the Authority, the Fiduciary shall, at the expense of the Authority, cause to be published at least twice, at an interval of not less than seven (7) days between publications, in the Authorized Newspapers, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than thirty (30) days



after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned to the Authority.

**SECTION 12.02. Evidence of Signatures and Ownership of Authority Pooled Program Bonds.**

1. Any request, consent, revocation of consent or other instrument which this Pooled Program Bond Resolution or any Supplemental Resolution may require or permit to be signed and executed by the Holders of Authority Pooled Program Bonds of any Series may be in one or more instruments of similar tenor and shall be signed or executed by such Holders of Authority Pooled Program Bonds in person or by their attorneys appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, shall be sufficient for any purpose of this Pooled Program Bond Resolution or any Supplemental Resolution (except as otherwise herein or therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Pooled Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable.

The fact and date of the execution by any Holder of any Authority Pooled Program Bond or his attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of his authority.

2. The ownership of Authority Pooled Program Bonds and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books maintained by the Authority.

3. Any request or consent by the Holder of any Authority Pooled Program Bond shall bind all future owners of such Authority Pooled Program Bond in respect of anything done or suffered to be done by the Authority or any Pooled Trustee in accordance therewith.

**SECTION 12.03. Moneys Held for Particular Authority Pooled Program Bonds.** The amounts held by any Fiduciary for the payment of the interest or principal due on any date with respect to particular Authority Pooled Program Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Authority Pooled Program Bonds entitled thereto.

## ARTICLE XIII

### MISCELLANEOUS

**SECTION 13.01. Liability of Authority Limited to Trust Estate.** Notwithstanding anything contained in this Pooled Program Bond Resolution or in the Authority Pooled Program Bonds, the Authority shall not be required to advance any moneys derived from any source other than the Trust Estate for any of the purposes in this Pooled Program Bond Resolution, whether for the payment of the principal of, or interest on, the Authority Pooled Program Bonds or for any other purpose of this Pooled Program Bond Resolution. Nevertheless, the Authority may, but shall not be required to, advance for any of the purposes hereof any funds of the Authority that may be made available to it for such purposes.

**SECTION 13.02. Successor Is Deemed Included in All References to Predecessor.** Whenever in this Pooled Program Bond Resolution either the Authority or the Pooled Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the duties, covenants, obligations and agreements contained in this Pooled Program Bond Resolution by or on behalf of the Authority or the Pooled Trustee shall bind and inure to the benefit of the respective successors and assigns thereof, whether so expressed or not.

**SECTION 13.03. Limitation of Rights to Parties.** Nothing expressed or implied in this Pooled Program Bond Resolution or in the Authority Pooled Program Bonds is intended or shall be construed to give to any person other than the Authority, the Pooled Trustee, the Paying Agents and the Holders of Authority Pooled Program Bonds any legal or equitable right, remedy or claim under or in respect of this Pooled Program Bond Resolution or any duty, covenant, obligation, agreement, condition or provision therein or herein contained; and all such duties, covenants, obligations, agreements, conditions and provisions are and shall be for the sole and exclusive benefit of the Authority, the Pooled Trustee, the Paying Agents and the Holders of Authority Pooled Program Bonds.

**SECTION 13.04. Waiver of Notice.** Whenever in this Pooled Program Bond Resolution the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

**SECTION 13.05. Destruction of Authority Pooled Program Bonds.** Whenever in this Pooled Program Bond Resolution provision is made for the cancellation by the Pooled Trustee and the delivery to the Authority of any Authority Pooled Program Bonds, unless otherwise requested in writing by the Authority, in lieu of such cancellation and delivery, the Pooled Trustee shall destroy such Authority Pooled Program Bonds (in the presence of an officer of the Authority, if the Authority shall so require), and deliver a certificate of such destruction to the Authority.

**SECTION 13.06. Severability of Invalid Provisions.** If any one or more of the provisions contained in this Pooled Program Bond Resolution or in the Authority Pooled Program Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Pooled Program Bond Resolution or in the Authority Pooled Program Bonds and such invalidity, illegality or unenforceability shall not affect any other provision of this Pooled Program Bond Resolution, and this Pooled Program Bond Resolution shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have entered into this Pooled Program Bond Resolution and each and every section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Authority Pooled Program Bonds pursuant thereto irrespective of the fact that any one

or more sections, paragraphs, sentences, clauses or phrases of this Pooled Program Bond Resolution may be held illegal, invalid or unenforceable.

**SECTION 13.07. Notices.** Any notices, certificates or other communications required or permitted to be given herein shall be in writing (unless otherwise specifically required or permitted herein) and shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid to the Authority, the County, the Pooled Trustee, the Paying Agent and the Rating Agency at the addresses set forth below:

- (a) Authority: Morris County Improvement Authority  
Administration and Records Building  
P.O. Box 900  
Morristown, New Jersey 07963-0900
  
- (b) County: County of Morris, New Jersey  
Administration and Records Building  
P.O. Box 900  
Morristown, New Jersey 07963-0900
  
- (c) Pooled Trustee and Paying Agent:  
  
U.S. Bank National Association  
333 Thornall Street – 4th Floor  
Edison, New Jersey 08837  
Attention: Corporate Trust Department
  
- (d) Rating Agency:  
  
Moody's Investors Service, Inc.  
99 Church Street  
New York, New York 10007  
Attention: Public Finance Ratings

The Authority, the Pooled Trustee, the Paying Agent and the Rating Agency may designate any further or different address to which subsequent notices and communications shall be sent by giving notice thereof to the other parties hereto.

The Rating Agency shall receive written notice from the Pooled Trustee of any redemption or defeasance of the Authority Pooled Program Bonds; any change in the County or the Pooled Trustee or Paying Agent; or of any amendment or supplement to this Pooled Program Bond Resolution, the Authority Pooled Program Bonds, the Project Agreements, the Local Unit Bonds or any other agreement executed in connection with the issuance of the Authority Pooled Program Bonds.

**SECTION 13.08. Disqualified Authority Pooled Program Bonds.** In determining whether the Holders of the requisite aggregate principal amount of Authority Pooled Program Bonds have concurred in any demand, request, direction, consent or waiver under this Pooled Program Bond Resolution, Authority Pooled Program Bonds that are owned or held by or for the account of the Authority or the Local Units, or by any other primary or secondary obligor on the Project Agreements or the Local Unit Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the Local Units or any other primary or secondary obligor on the

Project Agreements or the Local Unit Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Authority Pooled Program Bonds so owned that have been pledged in good faith may be regarded as Outstanding for the purpose of this Section if the pledgee shall establish to the satisfaction of the Pooled Trustee the pledgee's right to vote such Authority Pooled Program Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the Local Units or any other primary or secondary obligor on the Project Agreements or the Local Unit Bonds. In case of a dispute as to such right, any decision by the Pooled Trustee taken upon the advice of Counsel shall be full protection to the Pooled Trustee.

**SECTION 13.09. Funds, Accounts and Subaccounts.** Any Fund, Account or Subaccount required by this Pooled Program Bond Resolution to be established and maintained by the Pooled Trustee may be established and maintained in the accounting records of the Pooled Trustee, either as a Fund, an Account or a Subaccount, and, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, may be treated either as a Fund, an Account or a Subaccount; but all such records with respect to all such Funds, Accounts or Subaccounts shall at all times be maintained in accordance with generally accepted corporate trust industry practice.

**SECTION 13.10. Waiver of Personal Liability.** No member, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the principal or Redemption Price, if any, of, or interest on, the Authority Pooled Program Bonds or be subject to any personal liability or accountability by reason of the issuance thereof, all such liability, if any, being expressly waived and released by each Holder of Authority Pooled Program Bonds by the acceptance of such Authority Pooled Program Bonds, but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by this Pooled Program Bond Resolution.

**SECTION 13.11. Authority Protected in Acting in Good Faith.** In the exercise of the powers of the Authority and its members, officers, employees and agents under this Pooled Program Bond Resolution, the Project Agreements, the Local Unit Bonds or any other document executed in connection with the Authority Pooled Program Bonds, the Authority shall not be accountable to the Local Units, the Pooled Trustee, the Paying Agent or any Holder for any action taken or omitted by it or its members, officers, employees and agents in good faith and believed by it or them to be authorized or within the discretion or rights or powers conferred.

**SECTION 13.12. Business Days.** Except as otherwise specifically provided herein, if any date specified herein for the payment of any Authority Pooled Program Bond or the performance of any act shall not be a Business Day at the place of payment or performance, such payment or performance shall be made on the next succeeding Business Day with the same effect as if made on such date, and in case any payment of the principal of or interest on any Authority Pooled Program Bond shall be due on a date that is not a Business Day, interest on such principal amount shall cease to accrue on the date on which such payment was due if such payment is made on the immediately succeeding Business Day.

**ARTICLE XIV**

**AUTHORITY POOLED PROGRAM BOND FORM AND EFFECTIVE DATE**

**SECTION 14.01. Form of Authority Pooled Program Bonds and Pooled Trustee's Authentication Certificate.** Subject to the provisions of this Pooled Program Bond Resolution, the form of the Authority Pooled Program Bonds and the Pooled Trustee's certificate of authentication shall be of substantially the following tenor:

[FORM OF AUTHORITY POOLED PROGRAM BOND]

MORRIS COUNTY IMPROVEMENT AUTHORITY

COUNTY OF MORRIS GUARANTEED POOLED PROGRAM BONDS,  
SERIES 2020[A/B] [(FEDERALLY TAXABLE)]

REGISTERED \$ \_\_\_\_\_

R-\_\_

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP</u>
%	February 1, 20__	_____, 2020	618029 __

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

MORRIS COUNTY IMPROVEMENT AUTHORITY, a public body corporate and politic organized and existing under and by virtue of the laws of the State of New Jersey (hereinafter called the "Authority"), acknowledges itself indebted and for value received hereby promises to pay to the REGISTERED OWNER specified above, or its registered assigns, the PRINCIPAL AMOUNT specified above on the MATURITY DATE specified above, together with interest on said PRINCIPAL AMOUNT from the date of this bond until the Authority's obligation with respect to the payment of said PRINCIPAL AMOUNT shall be discharged, at the INTEREST RATE per annum stated above initially on August 1, 2021, and semiannually thereafter on each February 1 and August 1. This bond, as to principal and redemption premium, if any, when due, will be payable at a corporate trust office of U.S. Bank National Association, Edison, New Jersey. Interest on this bond will be payable by check and will be mailed to the registered owner hereof who shall appear on the registration books of the Authority kept and maintained by the Registrar hereinafter mentioned, as determined on each January 15 and July 15. Payment of the principal of, redemption premium, if any, and interest on this bond shall be made in any coin or currency of the United States of America that, at the time of payment, is legal tender for the payment of public and private debts.

This bond is one of the duly authorized issue of revenue bonds of the Authority, each designated as "County of Morris Guaranteed Pooled Program Bonds, Series 2020[A/B] [(Federally Taxable)]" (the "Bonds"), limited to the aggregate principal amount of \$ \_\_, \_\_, 000, and authorized and issued under and pursuant to the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State of New Jersey and the acts amendatory thereof and supplemental thereto (hereinafter called the "Act"), and under and in accordance with a resolution of the Authority duly adopted on December 16, 2020 and entitled, "Resolution Authorizing the Issuance of County of Morris Guaranteed Pooled Program Bonds of the Morris County Improvement Authority", as amended and supplemented (hereinafter called the "Resolution"). Copies of the Resolution are on file in the office of the Authority in Morristown, New Jersey, and at the principal corporate trust office of U.S. Bank National Association, Edison, New Jersey (the "Trustee"), as trustee under the Resolution.

This bond is a special obligation of the Authority and is payable from the Revenues of the Authority, as such term is defined in the Resolution.

Pursuant to the terms of the Resolution, the Authority may hereafter issue additional Bonds (hereinafter called "*Additional Bonds*") for the purposes, in the amounts and on the conditions set forth in the Resolution. All Bonds issued and to be issued under the terms of the Resolution, including all Additional Bonds, are and will be equally secured by the pledge of the Revenues and funds provided in the Resolution, except as otherwise expressly provided in or pursuant to the terms of the Resolution.

Reference to the Resolution and any and all resolutions supplemental thereto and any modifications and amendments thereof and to the Act is made for a description of the nature and extent of the security for the Bonds, the funds or Revenues pledged for the payment thereof, the nature, manner and extent of the enforcement of such pledge, the rights and remedies of the Holders of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued and upon which they may be issued thereunder, and a statement of the rights, duties, immunities and obligations of the Authority and the Trustee.

To the extent and in the respects permitted by the Resolution, the provisions of the Resolution or any resolution amendatory thereof or supplemental thereto may be modified or amended by action taken on behalf of the Authority in the manner and subject to the conditions and exceptions set forth in the Resolution. The pledge of the Revenues and other obligations of the Authority under the terms of the Resolution may be discharged at or prior to the maturity or redemption of the Bonds upon the making of provision for the payment thereof upon the terms and conditions set forth in the Resolution.

This bond is transferable, as provided in the Resolution, only upon the registration books of the Authority kept and maintained for that purpose at a corporate trust office of U.S. Bank National Association, Edison, New Jersey (the "*Registrar*"), as registrar under the Resolution, or its successor as Registrar, by the registered owner hereof in person or his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar and duly executed by the registered owner or such duly authorized attorney, together with the required signature guarantee, and thereupon the Authority shall issue in the name of the transferee a new registered Bond or Bonds, of the same aggregate principal amount and series, designation, maturity and interest rate as the surrendered Bond as provided in the Resolution, upon payment of the charges therein prescribed. The Authority, the Trustee, the Registrar and any Paying Agent of the Authority may treat and consider the person in whose name this bond is registered as the Holder and absolute owner of this bond for the purpose of receiving payment of the principal of, redemption premium, if any, and interest due hereon and for all other purposes whatsoever.

The Bonds are subject to optional [and mandatory sinking fund] redemption prior to their stated maturities as provided in the Resolution.

**THE ACT PROVIDES THAT NEITHER THE MEMBERS OF THE AUTHORITY NOR ANY PERSON EXECUTING THE BONDS SHALL BE LIABLE PERSONALLY ON THE BONDS BY REASON OF THE ISSUANCE THEREOF.**

**THE BONDS ARE NOT AND SHALL NOT BE IN ANY WAY A DEBT OR LIABILITY OF THE STATE OF NEW JERSEY, THE COUNTY OF MORRIS (EXCEPT TO THE EXTENT OF THE COUNTY GUARANTY) OR ANY POLITICAL SUBDIVISION OF THE STATE (EXCEPT FOR THE LOCAL UNITS TO THE EXTENT OF THE PROJECT AGREEMENTS), OTHER THAN THE AUTHORITY, AND DO NOT AND SHALL NOT CREATE OR CONSTITUTE ANY INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE STATE OF NEW JERSEY, THE COUNTY OF MORRIS (EXCEPT TO THE EXTENT OF THE COUNTY GUARANTY) OR ANY POLITICAL SUBDIVISION OF THE STATE (EXCEPT FOR THE**

**LOCAL UNITS TO THE EXTENT OF THE PROJECT AGREEMENTS), OTHER THAN THE AUTHORITY, EITHER LEGAL, MORAL OR OTHERWISE.**

It is hereby certified and recited that all conditions, acts and things that are required by the Constitution or the statutes of the State of New Jersey or by the Resolution to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been performed, and that the Bonds, together with all other indebtedness of the Authority, are within every debt and other limit prescribed by said Constitution or statutes.

This bond shall not be entitled to any security or benefit under the terms of the Resolution or be valid or obligatory for any purpose unless the certificate of authentication has been duly executed by the Trustee upon original issuance and thereafter by the Registrar.

**[SIGNATURE PAGE FOLLOWS]**



**IN WITNESS WHEREOF, MORRIS COUNTY IMPROVEMENT AUTHORITY** has caused this bond to be signed in its name and on its behalf by the manual or facsimile signature of its Chairman and its corporate seal to be affixed, impressed or reproduced hereon, and this bond and such seal to be attested by the manual or facsimile signature of its Secretary, all as of the DATED DATE set forth above.

**MORRIS COUNTY IMPROVEMENT  
AUTHORITY**

[SEAL]

By: \_\_\_\_\_  
Chairman

**ATTEST:**

By: \_\_\_\_\_  
Secretary

**POOLED TRUSTEE'S CERTIFICATE OF AUTHENTICATION**

This bond is one of the Bonds described in the within-mentioned Resolution and is one of the "County of Morris Guaranteed Pooled Program Bonds, Series 2020[A/B] [(Federally Taxable)]" of the Morris County Improvement Authority.

**U.S. BANK NATIONAL ASSOCIATION,  
as Pooled Trustee**

**By: \_\_\_\_\_  
Authorized Signatory**

Date of Authentication: \_\_\_\_\_, 202\_

**GUARANTY OF THE COUNTY OF MORRIS, NEW JERSEY**

The payment of the principal of and interest on the within bond shall be fully, irrevocably and unconditionally guaranteed by the County of Morris, New Jersey (the "*County*"), in accordance with the provisions of N.J.S.A. 40:37A-80 and the guaranty ordinance of the County finally adopted pursuant thereto, and the County is fully, irrevocably and unconditionally liable for the payment, when due, of the principal of and interest on this bond, and, if necessary, the County shall levy *ad valorem* taxes upon all the taxable property within the County without limitation as to rate or amount in order to make such payment.

**IN WITNESS WHEREOF**, the County has caused this County Guaranty to be executed by the manual or facsimile signature of its Freeholder Director, all as of the date of the within bond.

**COUNTY OF MORRIS, NEW JERSEY**

By: \_\_\_\_\_  
**Freeholder Director**

[FORM OF ASSIGNMENT]

**FOR VALUE RECEIVED** the undersigned hereby sells, assigns and transfers unto

---

*(Please Print or Typewrite Name, Address and Social Security  
Number or Taxpayer Identification Number of Transferee)*

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

---

Attorney

To transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICES: This signature to this assignment must correspond with the name as it appears upon the fact of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed By:

---

(Name of Eligible Guarantor Institution as defined by SEC Rule 17Ad-15 (12 *CFR* 240.17Ad-15) or any similar rule which the Trustee deems applicable)

By \_\_\_\_\_

Title \_\_\_\_\_

**SECTION 14.02. Amendment of Pooled Program Bond Resolution.** Any Authorized Officer of the Authority is hereby authorized, prior to the execution and delivery of the Authority Pooled Program Bonds, through the execution of a Certificate of Authorized Officer, to approve and implement any amendments and/or supplements to this Pooled Program Bond Resolution that may be required to amend, modify or clarify the terms and conditions of this Pooled Program Bond Resolution relating to the authorization, issuance, sale, security, flow of funds or covenants of the Authority Pooled Program Bonds or as may be required by any Rating Agency and/or bond insurer in connection with their delivery of ratings on the Authority Pooled Program Bonds or the issuance of financial guaranty insurance, respectively; *provided, however*, that the Authorized Officer of the Authority, in conjunction with the Authority's Bond Counsel and General Counsel, has determined that any such amendments and/or supplements will not have a material or adverse effect on the ability of the Authority to market, sell and deliver the Authority Pooled Program Bonds or on any of the material terms, conditions and/or covenants set forth in this Pooled Program Bond Resolution.

**SECTION 14.03. Effective Date.** This Pooled Program Bond Resolution shall take effect immediately.

**MOVED/SECONDED:**

Resolution moved by Commissioner \_\_\_\_\_.  
Resolution seconded by Commissioner \_\_\_\_\_.

**VOTE:**

<b>Commissioner</b>	<b>Yes</b>	<b>No</b>	<b>Abstain</b>	<b>Absent</b>
Bonanni				
Ramirez				
Bauer				
Sandman				
Gallop				

This Resolution was acted upon at the Regular Meeting of the Authority held on December 16, 2020 at the Authority's principal corporate office in Morristown, New Jersey.

Attested to this 16th day of December, 2020:

By: \_\_\_\_\_  
Secretary of the Authority

**FORM and LEGALITY:**

By: \_\_\_\_\_  
Matthew D. Jessup, Member  
McManimon, Scotland & Baumann, LLC  
Counsel to the Authority  
Resolution No. 20-34