

**EAST PENN SCHOOL DISTRICT,
Lehigh County, Pennsylvania**

RESOLUTION

OF THE BOARD OF SCHOOL DIRECTORS OF EAST PENN SCHOOL DISTRICT INCURRING NONELECTORAL DEBT IN THE PRINCIPAL AMOUNT OF \$9,995,000 TO BE EVIDENCED BY ITS GENERAL OBLIGATION BONDS, SERIES A OF 2015, TO CURRENTLY REFUND THE GENERAL OBLIGATION BONDS, SERIES A OF 2008, SERIES A OF 2009 AND SERIES OF 2010, AND ITS GENERAL OBLIGATION BONDS, SERIES B OF 2015 TO CURRENTLY REFUND ALL OF THE SCHOOL DISTRICT'S GENERAL OBLIGATION BONDS, SERIES A OF 2010, AND PAY COSTS OF ISSUANCE; ACCEPTING AN UNDERWRITING BID TO PURCHASE THE BONDS; SETTING FORTH THE TERMS AND SUBSTANTIAL FORM OF THE BONDS; PLEDGING THE SCHOOL DISTRICT'S FULL FAITH, CREDIT AND TAXING POWER TO SECURE THE BONDS; APPOINTING A PAYING AGENT AND A SINKING FUND DEPOSITORY; CREATING A SINKING FUND FOR THE BONDS; PROVIDING FOR THE REDEMPTION OF THE REFUNDED BONDS; AND AUTHORIZING RELATED ACTIONS AND DOCUMENTS.

WHEREAS, East Penn School District (the "School District") is a school district of the Commonwealth of Pennsylvania (the "Commonwealth"), and a "Local Government Unit" as defined by the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Debt Act"), governed by its Board of School Directors (the "Board"); and

WHEREAS, The Board by resolution adopted on July 14, 2008 (the "2008 A Bonds Enabling Resolution"), authorized and secured the issuance of its General Obligation Bonds, Series A of 2008, in the original aggregate principal amount of \$9,845,000, dated as of August 1, 2008 (the "2008 A Bonds"), as described in the 2008 A Bonds Enabling Resolution; and

WHEREAS, The Department of Community and Economic Development (the “Department”), of the Commonwealth approved the debt proceedings of this School District related to the 2008 A Bonds, evidenced by Certificate of Approval No. GOB-16848, dated August 7, 2008; and

WHEREAS, The Board by resolution adopted on December 8, 2009 (the “2009 A Bonds Enabling Resolution”), authorized and secured the issuance of its General Obligation Bonds, Series A of 2009, in the original aggregate principal amount of \$6,105,000, dated as of December 30, 2009 (the “2009 A Bonds”), as described in the 2009 A Bonds Enabling Resolution; and

WHEREAS, The Department approved the debt proceedings of this School District related to the 2009 A Bonds, evidenced by Certificate of Approval No. GOB-17254, dated November 9, 2009; and

WHEREAS, The Board by resolution adopted on January 28, 2010 (the “2010 Bonds Enabling Resolution”), authorized and secured the issuance of its General Obligation Bonds, Series of 2010, in the original aggregate principal amount of \$14,280,000, dated as of March 1, 2010 (the “2010 Bonds”), as described in the 2010 Bonds Enabling Resolution; and

WHEREAS, The Department approved the debt proceedings of this School District related to the 2010 Bonds, evidenced by Certificate of Approval No. GOB-17368, dated February 25, 2010; and

WHEREAS, The Board by resolution adopted on January 28, 2010 (the “2010 A Bonds Enabling Resolution”), authorized and secured the issuance of its General Obligation Bonds, Series A of 2010, in the original aggregate principal amount of \$14,280,000, dated as of March 1, 2010 (the “2010 A Bonds”), as described in the 2010 A Bonds Enabling Resolution; and

WHEREAS, The Department approved the debt proceedings of this School District related to the 2010 Bonds, evidenced by Certificate of Approval No. GOB-17368, dated February 25, 2010; and

WHEREAS, The Board has determined to currently refund all of the outstanding 2008 A Bonds, 2009 A Bonds and 2010 A Bonds, and a portion of the 2010 Bonds, in accordance with the refunding report (the “Refunding Report”) prepared for the School District by Public Financial Management, Inc. (the “Financial Advisor”), as financial advisor; and

WHEREAS, The Board wishes to authorize, sell, issue and secure two series of bonds, in the combined aggregate principal amount of Nine Million Nine Hundred Ninety-Five Thousand Dollars (\$9,995,000) (collectively, the “Bonds” or individually a “Bond”); and

WHEREAS, One series of the Bonds, in the aggregate principal amount of \$5,835,000, will be designated as the “General Obligation Bonds, Series A of 2015” (the “2015 A Bonds”) to retire the 2008A Bonds, 2009A Bonds and 2010 Bonds and pay the allocable costs of issuing the 2015 A Bonds, and a second series in the aggregate principal amount of \$4,160,000, to be designated as the “General Obligation Bonds, Series B of 2015” (the “2015 B Bonds”), to retire the 2010 A Bonds and pay the allocable costs of issuing the 2015 B Bonds (all of the foregoing being collectively referred to herein as the “Refunding Projects”); and

WHEREAS, The Board has considered the possible manners of selling the Bonds allowed by the Debt Act, including a public sale or private sale by negotiation or upon invitation; and

WHEREAS, The Board, has determined that the Bonds shall be offered in a private sale upon invitation at a price of not less than 98.80% of the aggregate principal amount of the Bonds; and

WHEREAS, A proposal, dated February 9, 2015 (the “Proposal”), to purchase the Bonds was received this date from _____ (the “Purchaser”), as purchaser; and

WHEREAS, The Board desires to accept the Proposal, to award the Bonds to the Purchaser, to authorize the issuance of nonelectoral debt, and to take appropriate action in accordance with the Debt Act; and

WHEREAS, The Board has appointed Rhoads & Sinon LLP (the “Bond Counsel”), as bond counsel, to represent this School District in connection with the issuance of the Bonds; and

WHEREAS, The Board has determined to appoint U.S. Bank National Association (the “Paying Agent”), having a corporate trust office in Philadelphia, Pennsylvania, as paying agent and sinking fund depository for the Bonds.

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

SECTION 1. The Board hereby authorizes and secures the issuance of the Bonds, as nonelectoral debt of this School District, pursuant to this Resolution, in accordance with the Debt Act, to undertake the Refunding Projects.

SECTION 2. The Board finds that it is in the best financial interests of this School District to sell the Bonds in a private sale upon invitation .

SECTION 3. The Refunding Projects are permitted under Section 8241(b)(1) of the Debt Act (reducing total debt service over the life of the series). The facilities originally

financed or refinanced by the 2008 A Bonds have remaining useful lives of at least one (1) year. The facilities originally financed or refinanced by the 2009 A Bonds have remaining useful lives of at least three (3) years. The facilities originally financed or refinanced by the 2010 Bonds have remaining useful lives of at least three (3) years. The facilities originally financed or refinanced by the 2010 A Bonds have remaining useful lives of at least nine (9) years.

The first stated maturity date of the Bonds is within the later of two (2) years of the issue date thereof. The Refunding Projects are being combined for purposes of the financing.

SECTION 4. The Board hereby accepts the Proposal of the Purchaser to purchase both series of Bonds, in accordance with terms of its Proposal, at a net purchase price of \$_____ (_____% of principal amount), plus net original issue premium of \$_____, plus accrued interest, if any, from the date thereof to the date of delivery thereof. The bid security, if any, accompanying the Proposal shall be held and applied as provided by the Debt Act.

SECTION 5. The Bonds, when issued, will be two series of general obligation bonds of this School District.

SECTION 6. The Bonds shall be issuable as fully registered bonds, without coupons, in denominations of \$5,000 principal amount an integral multiples thereof, and shall be dated as of the delivery date of the Bonds (the "Delivery Date").

Each of the Bonds shall bear interest from the interest payment date next preceding the date of registration and authentication of such bond, unless: (a) such Bond is registered and authenticated as of an interest payment date, in which event such bond shall bear interest from said interest payment date; or (b) such Bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event such bond shall bear interest from such interest payment date; or (c) such Bond is registered and authenticated on or prior to the Record Date next preceding April 1, 2015, in which event such Bond shall bear interest from the Delivery Date; or (d) as shown by the records of the Paying Agent, interest on such Bond shall be in default, in which event such Bond shall bear interest from the date to which interest was last paid on such Bond. Interest on each of the Bonds shall be payable initially on April 1, 2015, and thereafter semiannually on April 1 and October 1 of each year, until the principal sum thereof is paid or provision for payment thereof duly has been made. Except as to distinguishing numbers, denominations, interest rates and maturity dates, the Bonds and the Paying Agent's certificates of authentication shall be substantially in the forms and shall be of the tenor and purport hereinafter set forth, with insertions and variations (including CUSIP numbers) approved by the Paying Agent, as may be appropriate for different series, denominations and maturity dates.

Principal, premium, if any, and interest with respect to the Bonds shall be payable in lawful money of the United States of America. The principal of and premium, if any, on the

Bonds shall be payable to the registered owners thereof or their transferees, upon presentation and surrender of the Bonds at the place or places set forth in the Bonds. Payment of interest on the Bonds shall be made by check mailed to the registered owners thereof whose names and addresses appear at the close of business on the fifteenth (15th) day next preceding each interest payment date (the "Record Date") on the registration books maintained by the Paying Agent on behalf of this School District, irrespective of any transfer or exchange of any Bonds subsequent to the Record Date and prior to such interest payment date, unless this School District shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the persons in whose names the Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent on behalf of this School District to the registered owners of the Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing.

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

SECTION 7. This School District and the Paying Agent may deem and treat the persons in whose names the Bonds shall be registered as the absolute owners thereof for all purposes, whether such Bonds shall be overdue or not, and payment of the principal of, premium, if any, and interest on the Bonds shall be made only to or upon the order of the registered owners thereof or their legal representatives, but registration of a transfer of ownership may be made as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Bonds, to the extent of the sum or sums so paid, and neither this School District nor the Paying Agent shall be affected by any notice to the contrary.

SECTION 8. Registration of the transfer of ownership of Bonds shall be made upon surrender of any of the Bonds to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner thereof or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of any of the Bonds in the registration books and shall authenticate and deliver, at the earliest practicable time, in the name of the transferee or transferees, a new fully registered bond or bonds of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount that the registered owner is entitled to receive. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same series, maturity and interest rate.

SECTION 9. This School District and the Paying Agent shall not be required to register the transfer of or exchange any of the Bonds then considered for redemption during the period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of such Bonds to be redeemed and ending at the close of business on the day of mailing of the notice of redemption, as hereinafter provided, or to register the transfer of or exchange any portion of any of the Bonds selected for redemption in whole or in part until after the redemption date.

SECTION 10. This School District shall cause to be kept, and the Paying Agent shall keep, books for the registration, exchange and transfer of Bonds in the manner provided herein and therein so long as Bonds shall remain outstanding. Such registrations, exchanges and transfers shall be made without charge to bondholders, except for actual costs, including postage, insurance and any taxes or other governmental charges required to be paid with respect to the same.

SECTION 11. Each series of the Bonds shall be numbered consecutively, as issued, without regard to denomination or maturity, and shall bear interest at the respective rates per annum and the yields to maturity, and shall mature on the respective dates and in the amounts, as set forth in **Exhibit "A"** which is attached hereto and made part hereof.

SECTION 12. A. The 2015 A Bonds are not subject to optional redemption prior to maturity.

B. The 2015 B Bonds stated to mature on or after October 1, 2020, shall be subject to redemption prior to maturity, at the option of this School District, as a whole or, from time to time, in part, in any order of maturities selected by this School District, on April 1, 2020, or on any date thereafter, upon payment of the principal amount redeemed, together with accrued interest to the date fixed for redemption. If less than all Bonds of any particular series and maturity are to be redeemed, such Bonds to be redeemed shall be drawn by lot by the Paying Agent.

C. The 2015 A Bonds stated to mature on April 1, ____ and April 1, ____ (the "2015 A Term Bonds"), are subject to mandatory redemption prior to stated maturity, on the date(s) and in the principal amount(s) as set forth in the following schedules, as drawn by lot by the Paying Agent on behalf of this School District:

2015 A Term Bonds Stated to Mature April 1, ____ :
Date Principal Amount

2015 A Term Bonds Stated to Mature April 1, ____ :

Date Principal Amount

The 2015 B Bonds stated to mature on October 1, ____ and October 1, ____ (the “2015 B Term Bonds”), are subject to mandatory redemption prior to stated maturity, on the date(s) and in the principal amount(s) as set forth in the following schedules, as drawn by lot by the Paying Agent on behalf of this School District:

2015 B Term Bonds Stated to Mature October 1, ____ :

Date Principal Amount

2015 B Term Bonds Stated to Mature October 1, ____ :

Date Principal Amount

D. If any of the Bonds is of a denomination larger than \$5,000, a portion of such Bond may be redeemed, but such bond shall be redeemed only in \$5,000 principal amount or any integral multiple thereof. For the purpose of selecting any of the Bonds for redemption, each of the Bonds subject to redemption shall be treated as representing the number of Bonds that is equal to the principal amount thereof divided by \$5,000, each \$5,000 portion thereof being subject to redemption. In the case of partial redemption of any of the Bonds, payment of the redemption price will be made only upon surrender of such Bond in exchange for Bonds of authorized denominations of the same series, maturity and interest rate and in the aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

Notice of redemption shall be deposited in first class mail not less than thirty (30) days prior to the date fixed for redemption and shall be addressed to the registered owners of the Bonds to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the day such Bonds are selected for redemption. Such notice shall specify: (1) the series, maturity and numbers of the Bonds or portions thereof so called for redemption; (2) the date fixed for redemption; (3) the redemption price or prices applicable to the Bonds or portions thereof to be redeemed; and (4) that on the date fixed for redemption the principal amount to be redeemed will be payable at the principal corporate trust office or other designated office of the Paying Agent and that after such date interest thereon shall cease to accrue. Failure to mail any such notice or any defect therein or in the mailing thereof shall not affect the validity of any

proceeding for redemption of other Bonds so called for redemption as to which proper notice has been given.

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

If at the time of mailing of a notice of redemption the School District shall not have deposited with the Paying Agent, as sinking fund depository, money sufficient to redeem all Bonds called for redemption, the notice of redemption shall state that it is conditional, i.e., that it is subject to the deposit of sufficient redemption money with the Paying Agent not later than the opening of business on the redemption date, and such notice shall be of no effect unless such money is so deposited. If the Bonds to be called for redemption shall have been refunded, money sufficient to redeem such Bonds shall be deemed to be on deposit with the Paying Agent for the purposes of this Section, and the notice of redemption need not state that it is conditional, if the redemption money has been deposited irrevocably with another bank or bank and trust company which shall have been given irrevocable instructions to transfer the same to the Paying Agent not later than the opening of business on the redemption date.

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

SECTION 13. This School District appoints the Paying Agent as the paying agent with respect to the Bonds and directs that the principal of, premium, if any, and interest on the Bonds shall be payable at the designated corporate trust office of the Paying Agent, in lawful money of the United States of America.

Any corporation or association into which the Paying Agent, or any appointed successor to it, may be merged or converted or with which it, or any appointed successor to it, may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Paying Agent shall be a party, or any corporation or association to which the Paying Agent, or any appointed successor to it, sells or otherwise transfers all or substantially all of its corporate trust business, including its functions under this Resolution, shall

be the successor paying agent hereunder, without the execution or filing of any paper or any further act on the part of the School District, and thereafter references therein to the "Paying Agent" shall refer to such resulting corporation or association, or to such transferee, as the case may be.

If the Paying Agent at any time shall resign or shall be removed by this School District, the Board shall appoint a successor paying agent that is duly qualified in accordance with the Act to serve as paying agent for the Bonds and sinking fund depository with respect to the Sinking Fund created herein and the principal of, redemption premium, if any, and interest on the Bonds shall be payable, when due, at a designated office of the successor paying agent located in the Commonwealth and at such additional payment offices as the successor paying agent shall designate. Upon acceptance of such appointment and the transfer by the Paying Agent to the successor paying agent of the appropriate documents, records, and funds, references herein to the "Paying Agent" shall thereafter refer to such successor paying agent.

SECTION 14. The form of the Bonds, including the form of Assignment and the form of the Paying Agent's Certificate, shall be substantially as set forth in **Exhibit "B"**, which is attached hereto and made part hereof, with appropriate insertions, omissions and variations.

SECTION 15. The Bonds shall be executed in the name of and on behalf of this School District by the manual or facsimile signature of the President or Vice President of the Board, and the official seal or a facsimile of the official seal of this School District shall be affixed thereto and the manual or facsimile signature of the Secretary or Assistant Secretary of the Board shall be affixed thereto in attestation thereof; and said officers are authorized to execute and to attest the Bonds.

SECTION 16. No Bond shall be entitled to any benefit under this Resolution nor shall it be valid, obligatory or enforceable for any purpose until such bond shall have been registered and authenticated by the Certificate of Authentication endorsed thereon duly signed by the Paying Agent; and the Paying Agent is authorized to register and authenticate the Bonds, in accordance with the provisions hereof.

SECTION 17. This School District covenants to and with registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, pursuant to this Resolution, that this School District shall: (i) include the amount of the debt service on the Bonds, for each fiscal year of this School District in which the sums are payable, in its budget for that year, (ii) appropriate those amounts from its general revenues for the payment of the debt service, and (iii) duly and punctually pay or cause to be paid from the Sinking Fund (hereinafter identified) or any other of its revenues or funds the principal of and interest on each of the Bonds at the dates and places and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, this School District shall and does

pledge, irrevocably, its full faith, credit and taxing power. As provided in the Debt Act, the foregoing covenant of this School District shall be specifically enforceable.

SECTION 18. A. There is created, pursuant to the requirements of the Debt Act, a sinking fund for the 2015 A Bonds, to be known as “Sinking Fund - General Obligation Bonds, Series A of 2015” (the “2015 A Sinking Fund”), which 2015 A Sinking Fund shall be administered in accordance with applicable provisions of the Debt Act.

There is created, pursuant to the requirements of the Debt Act, a sinking fund for the 2015 B Bonds, to be known as “Sinking Fund – General Obligation Bonds, Series B of 2015” (the “2015 B Sinking Fund”), which 2015 B Sinking Fund shall be administered in accordance with applicable provisions of the Debt Act. The 2015 A Sinking Fund and the 2015 B Sinking Fund are collectively referred to as the “Sinking Fund”.

B. There is created, within and as a part of the 2015 A Sinking Fund, a separate fund or account, designated as the “2015 A Mandatory Sinking Fund”, which shall consist of deposits made therein by the Paying Agent, as the sinking fund depository, from the 2015 A Sinking Fund, as provided in the next succeeding paragraph of this Section, to pay upon stated maturity of 2015 A Term Bonds that shall be outstanding, if any, on their stated maturity date, and to the mandatory redemption prior to the stated maturity of the 2015 A Term Bonds as provided in this Section.

The Paying Agent, as the sinking fund depository, shall deposit into the 2015 A Mandatory Sinking Fund, for the benefit of the 2015 A Term Bonds from money deposited in the 2015 A Sinking Fund by this School District, the following amounts at the following times:

<u>2015 A Term Bonds Stated to Mature April 1, _____ :</u>	
Time of Deposit	
<u>(On or before April 1)</u>	<u>Amount</u>

;

<u>2015 A Term Bonds Stated to Mature April 1, _____ :</u>	
Time of Deposit	
<u>(On or before April 1)</u>	<u>Amount</u>

;

or such lesser amount as on the appropriate date shall be equal to the principal amount of all 2015 A Term Bonds of such maturity then outstanding.

This School District and the Paying Agent covenant that the Paying Agent, on February 15 of the above years, except on the year of final maturity of each 2015 A Term Bond so long as any 2015 A Term Bonds of the appropriate maturity shall remain outstanding, or as soon after such date as shall suit the convenience of the Paying Agent and shall allow sufficient time for mailing of the requisite notice of redemption, as provided for in Section 12, shall select or draw, by lot, in a fair and equitable manner, for redemption on the following April 1, a principal amount of the 2015 A Term Bonds of the appropriate maturity equal to the amount then required to be deposited into the 2015 A Mandatory Sinking Fund as set forth in this Section. The Paying Agent shall, upon selection of 2015 A Term Bonds of the appropriate maturity so to be called for redemption prior to maturity, mail the requisite notice of redemption on behalf of this School District. This School District covenants to assume and to pay all costs and expenses related to the mandatory redemption of such 2015 A Term Bonds.

The amount required to be deposited in the 2015 A Mandatory Sinking Fund hereunder, on any given date, shall be reduced by the principal amount of any 2015 A Term Bonds of the appropriate maturity that shall have been purchased or tendered in lieu of mandatory redemption in the immediately preceding period, as provided in Section 12 hereof.

The principal amount of 2015 A Term Bonds to be retired from money available in the 2015 A Mandatory Sinking Fund shall be paid by the Paying Agent, as the sinking fund depository, in the usual and customary manner, from such money available in the applicable 2015 A Mandatory Sinking Fund.

There is created, within and as a part of the 2015 B Sinking Fund, a separate fund or account, designated as the "2015 B Mandatory Sinking Fund", which shall consist of deposits made therein by the Paying Agent, as the sinking fund depository, from the 2015 B Sinking Fund, as provided in the next succeeding paragraph of this Section, to pay upon stated maturity of 2015 B Term Bonds that shall be outstanding, if any, on their stated maturity date, and to the mandatory redemption prior to the stated maturity of the 2015 B Term Bonds as provided in this Section.

The Paying Agent, as the sinking fund depository, shall deposit into the 2015 B Mandatory Sinking Fund, for the benefit of the 2015 B Term Bonds from money deposited in the 2015 B Sinking Fund by this School District, the following amounts at the following times:

<u>2015 B Term Bonds Stated to Mature October 1, ____ :</u>	
Time of Deposit	
<u>(On or before October 1)</u>	<u>Amount</u>

;

<u>2015 B Term Bonds Stated to Mature October 1, ____ :</u>	
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Time of Deposit
(On or before October 1) Amount

;

or such lesser amount as on the appropriate date shall be equal to the principal amount of all 2015 B Term Bonds of such maturity then outstanding.

This School District and the Paying Agent covenant that the Paying Agent, on August 15 of the above years, except on the year of final maturity of each 2015 B Term Bond so long as any 2015 B Term Bonds of the appropriate maturity shall remain outstanding, or as soon after such date as shall suit the convenience of the Paying Agent and shall allow sufficient time for mailing of the requisite notice of redemption, as provided for in Section 12, shall select or draw, by lot, in a fair and equitable manner, for redemption on the following October 1, a principal amount of the 2015 B Term Bonds of the appropriate maturity equal to the amount then required to be deposited into the 2015 B Mandatory Sinking Fund as set forth in this Section. The Paying Agent shall, upon selection of 2015 B Term Bonds of the appropriate maturity so to be called for redemption prior to maturity, mail the requisite notice of redemption on behalf of this School District. This School District covenants to assume and to pay all costs and expenses related to the mandatory redemption of such 2015 B Term Bonds.

The amount required to be deposited in the 2015 B Mandatory Sinking Fund hereunder, on any given date, shall be reduced by the principal amount of any 2015 B Term Bonds of the appropriate maturity that shall have been purchased or tendered in lieu of mandatory redemption in the immediately preceding period, as provided in Section 12 hereof.

The principal amount of 2015 B Term Bonds to be retired from money available in the 2015 B Mandatory Sinking Fund shall be paid by the Paying Agent, as the sinking fund depository, in the usual and customary manner, from such money available in the applicable 2015 B Mandatory Sinking Fund.

SECTION 19. This School District appoints the Paying Agent as the sinking fund depository with respect to each Sinking Fund.

SECTION 20. This School District covenants to make payments out of each Sinking Fund, or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of the respective Bonds when due.

SECTION 21. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board, are authorized and directed, as required, necessary and/or appropriate: (a) to prepare, to certify and to file with the Department the debt statement required by Section 8110 of the Debt Act; (b) to prepare and to file with the Department any statements

required by the Debt Act that are necessary to qualify all or any portion of the debt of this School District that is subject to exclusion as self-liquidating or subsidized debt for exclusion from the appropriate debt limit of this School District as self-liquidating or subsidized debt; (c) to prepare and to file the application with the Department, together with a complete and accurate transcript of the proceedings for the required approval relating to the debt, of which debt the Bonds, upon issue, will be evidence, as required by Section 8111 of the Debt Act; (d) to pay or to cause to be paid to the Department all proper filing fees required in connection with the foregoing; and (e) to take other required, necessary and/or appropriate action.

The Board authorizes and directs that an appropriate borrowing base certificate be prepared for filing with the Department as required by Section 8110 of the Debt Act. The President or Vice President and the Secretary or Assistant Secretary of the Board are hereby authorized to prepare and to execute, or to authorize the auditors of this School District to prepare and to execute, such borrowing base certificate.

SECTION 22. If applicable, as determined from the Proposal, the Board authorizes and directs the purchase of municipal bond guaranty insurance with respect to the Bonds. Proper officers of this School District are authorized and directed to take all required, necessary and/or appropriate action with respect to such insurance, as contemplated in the Proposal, including the payment of the premium for such insurance.

SECTION 23. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board are authorized and directed to contract with the Paying Agent for its services as paying agent and as sinking fund depository in connection with each Sinking Fund, and with respect to the Bonds.

SECTION 24. It is declared that the debt to be incurred hereby, together with any other indebtedness of this School District, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by this School District.

SECTION 25. Proper officers of this School District are authorized and directed to deliver the Bonds and to authorize payment of all costs and expenses associated with issuance of the Bonds as provided for in the Proposal, but only after the Department has certified its approval pursuant to Section 8204 of the Debt Act or at such time when the filing authorized to be submitted to the Department pursuant to the Debt Act or at such time when the filing authorized to be submitted to the Department pursuant to the Debt Act shall be deemed to have been approved pursuant to Section 8206 of the Debt Act.

SECTION 26. This School District covenants to and with purchasers of the Bonds that it will make no use of the proceeds of the Bonds, or of any other obligations deemed to be part of the same “issue” as the Bonds under applicable federal tax regulations, that will cause the Bonds to be or become “arbitrage bonds” within the meaning of Section 103(b)(2) and Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and the regulations

implementing said Sections that duly have been published in the Federal Register or any other regulations implementing said Sections, and this School District further covenants to comply with all other requirements of the Code if and to the extent applicable to maintain continuously the Federal income tax exemption of interest on the Bonds.

This School District further covenants to and with purchasers of the Bonds that it will make no use of the proceeds of the Bonds, of the proceeds of any other obligations deemed to be part of the same "issue" as the Bonds under applicable federal tax regulations, or of any property or facilities financed with the proceeds of the Bonds or of any such other obligations deemed to be part of the same "issue" as the Bonds, that will cause the Bonds to be or become "private activity bonds" within the meaning of Section 141 of the Code and the regulations implementing said Sections that duly have been published in the Federal Register, and this School District further covenants to comply with all other requirements of the Code if and to the extent applicable to maintain continuously the Federal income tax exemption of interest on the Bonds.

SECTION 27. A. This School District determines to retire the 2008 A Bonds, the 2009 A Bonds, and a portion of 2010 Bonds, upon stated maturity and by optional redemption prior to stated maturity, in accordance with the right and privilege reserved to this School District in the 2008 A Bonds and in the 2008 A Bonds Enabling Resolution, in the 2009 A Bonds and in the 2009 A Bonds Enabling Resolution, and in the 2010 Bonds and in the 2010 Bonds Enabling Resolution.

The 2008 A Bonds, the 2009 A Bonds, and the portion of 2010 Bonds to be refunded by the Bonds are described in the Refunding Report and the School District hereby elects to exercise its option to redeem the 2008 A Bonds, the 2009 A Bonds and the portion of 2010 Bonds within 90 days of the dated date of the Bonds. Such redemption shall be accomplished in the manner, upon terms and conditions and with the effect provided in the 2008 A Bonds Enabling Resolution, the 2009 A Bonds Enabling Resolution, and the 2010 Bonds Enabling Resolution. Appropriate officers of the Board are hereby authorized and directed to instruct U.S. Bank National Association (the "Escrow Agent"), or its successor, as paying agent and registrar for the 2008 A Bonds, the 2009 A Bonds, and the portion of the 2010 Bonds, to issue a conditional notice of redemption, and to implement the redemption of the 2008 A Bonds, the 2009 A Bonds, and the portion of the 2010 Bonds.

B. This School District determines to retire the 2010 A Bonds upon stated maturity and by optional redemption prior to stated maturity, in accordance with the right and privilege reserved to this School District in the 2010 A Bonds and in the 2010 A Bonds Enabling Resolution.

The 2010 Bonds to be refunded by the 2015 B Bonds are described in the Refunding Report and the School District hereby elects to exercise its option to redeem the 2005 A Bonds with 90 days of the dated date of the Bonds. Such redemption shall be accomplished in

the manner, upon terms and conditions and with the effect provided in the 2010 A Bonds Enabling Resolution. Appropriate officers of the Board are hereby authorized and directed to instruct the Escrow Agent, or its successor, as paying agent and registrar for the 2010 A Bonds to issue a conditional notice of redemption, and to implement the redemption of the 2010 A Bonds.

This School District, simultaneously with delivery of the Bonds, shall enter into a bond retirement agreement (the “Bond Retirement Agreement”) or similar arrangement with the Escrow Agent, depositing funds sufficient to pay the debt service due on the 2008 A Bonds, the 2009 A Bonds, the portion of the 2010 Bonds, and the 2010 A Bonds through the applicable redemption date. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board are authorized and directed to execute, to attest, and to seal, as appropriate, and to deliver such Bond Retirement Agreement on the Delivery Date. The School District approves the Bond Retirement Agreement in form satisfactory to the Solicitor and Bond Counsel for this School District and as shall be approved by the officers of the Board executing the same. Such approval of such officers shall be conclusively presumed to have been given by their execution of the Bond Retirement Agreement.

If applicable, the President, Vice President, Director of Business Affairs or agents of this School District are each hereby authorized and directed to execute and deliver agreements, orders or subscriptions for purchase of United States Treasury Certificates of Indebtedness, Notes or Bonds, State and Local Government Series (“SLGS”), other securities of the United States of America or other investments satisfying the requirements of Section 8250 of the Debt Act, as described in the Refunding Report, from proceeds of the 2015 A Bonds and the 2015 B Bonds and, if applicable, other funds to be deposited under the Bond Retirement Agreement.

SECTION 28. The Secretary of the Board is hereby authorized and directed to execute and to submit to the Pennsylvania Department of Education, promptly following settlement for the Bonds, the appropriate application and other documents and information necessary to obtain state reimbursement with respect to the debt service on the Bonds (including the filing of the appropriate PLANCON Parts, as applicable).

SECTION 29. The Board hereby authorizes, approves, and ratifies the execution, delivery, use, and distribution, as appropriate, of a Preliminary Official Statement (the “Preliminary Official Statement”) and a final Official Statement (the “Official Statement”) relating to the offering and sale of the Bonds.

The Preliminary Official Statement in the form presented to this meeting, or which is on file with the Secretary of the Board, shall be and hereby is made part of this Resolution. The Preliminary Official Statement hereby is designated as a “deemed final” Official Statement, as contemplated by Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”).

The Official Statement shall be in substantially the form of the Preliminary Official Statement, but with such changes, insertions, and deletions as shall be necessary or appropriate to incorporate the final terms of the Bonds as contained in the Proposal and this Resolution or as shall be deemed necessary and appropriate by counsel to this School District and Bond Counsel to this School District. The Board hereby authorizes either the President or the Vice President of the Board to approve the Official Statement on behalf of this School District and to evidence such approval by affixing his or her signature thereto as such officer; the execution of the Official Statement by such officer shall constitute conclusive evidence of the approval of the Official Statement by this School District.

SECTION 30. This School District shall enter into, and hereby authorizes and directs the President or Vice President of the Board to execute a Continuing Disclosure Certificate (the “Certificate”) on behalf of this School District on or before the date of issuance and delivery of the Bonds to the Purchaser. Such Certificate shall be executed and delivered to satisfy the terms and conditions of the accepted Proposal for sale of the Bonds and Securities and Exchange Commission Rule 15c2-12, and shall be substantially in the form presented to this meeting, which is hereby approved, together with any changes therein made and approved by the executing officer of the Board, whose execution and delivery thereof shall constitute conclusive evidence of such approval. A copy of the Certificate shall be filed with the Secretary of the Board and shall be and hereby is made part of this Resolution.

This School District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Certificate. Notwithstanding any other provision of this Resolution, failure of this School District to comply with the Certificate shall not be considered an event of default with respect to the Bonds; however, any registered owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause this School District to comply with its obligations under this Section and such Certificate.

SECTION 31. The Bonds may be made available for purchase under a book-entry only system available through The Depository Trust Company, a New York corporation (“DTC”).

If this School District has not heretofore executed, delivered, and kept on file with DTC, a Blanket Letter of Representations in the form required by DTC for the purpose of evidencing this School District’s agreement to comply with the requirements of DTC’s Operational Arrangements with respect to book-entry securities, then at or prior to settlement for the Bonds, this School District shall execute, deliver and file with DTC such a Blanket Letter of Representations (the Blanket Letter of Representations so filed or so to be filed with DTC is herein referred to as the “Representation Letter”). The appropriate officers of this School District shall take such action as may be necessary from time to time to comply with the terms and provisions of the Representation Letter.

The Paying Agent, by acceptance of its appointment as paying agent for the Bonds, agrees to authorize and direct its appropriate officers to take such action as may be necessary from time to time to comply with DTC's Operational Arrangements, as amended from time to time, as they shall apply to the Bonds, and any successor paying agent for the Bonds, in its written acceptance of its duties under this Resolution, shall agree to take any actions necessary from time to time to comply with DTC's Operational Arrangements, as the same may apply to the Bonds..

SECTION 32. Notwithstanding the foregoing provisions of this Resolution, the Bonds shall initially be issued in the form of one fully-registered Bond for the aggregate principal amount of Bonds of each series and maturity, and the following provisions shall apply with respect to the registration, transfer and payment of the Bonds:

(a) Except as provided in subparagraph (g) below, all of the Bonds shall be registered in the name of Cede & Co., as nominee of DTC; provided that if DTC shall request that the Bonds be registered in the name of a different nominee, the Paying Agent shall exchange all or any portion of the Bonds for an equal aggregate principal amount of Bonds of the same series, interest rate and maturity registered in the name of such nominee or nominees of DTC.

(b) No person other than DTC or its nominee shall be entitled to receive from this School District or the Paying Agent either a Bond or any other evidence of ownership of the Bonds, or any right to receive any payment in respect thereof, unless DTC or its nominee shall transfer record ownership of all or any portion of the Bonds on the registration books (the "Register") maintained by the Paying Agent in connection with discontinuing the book-entry system as provided in subparagraph (g) below or otherwise.

(c) So long as any Bonds are registered in the name of DTC or any nominee thereof, all payments of the principal or redemption price of or interest on such Bonds shall be made to DTC or its nominee in accordance with the Representation Letter on the dates provided for such payments under this Resolution. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of this School District or the Paying Agent with respect to the principal or redemption price of or interest on the Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Bonds outstanding of any maturity, the Paying Agent shall not require surrender by DTC or its nominee of the Bonds so redeemed, but DTC (or its nominee) may retain such Bonds and make an appropriate notation on the Bond certificate as to the amount of such partial redemption; provided that DTC shall deliver to the Paying Agent, upon request, a written confirmation of such partial redemption and thereafter the records maintained by the Paying Agent shall be

conclusive as to the amount of the Bonds of such maturity which have been redeemed.

(d) This School District and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to holders of Bonds under this Resolution, registering the transfer of Bonds, obtaining any consent or other action to be taken by holders of Bonds and for all other purposes whatsoever; and neither this School District nor the Paying Agent shall be affected by any notice to the contrary. Neither this School District nor the Paying Agent shall have any responsibility or obligation to any participant in DTC, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any such participant, or any other person which is not shown on the Register as being a registered owner of Bonds, with respect to (1) the Bonds, (2) the accuracy of any records maintained by DTC or any such participant, (3) the payment by DTC or any such participant of any amount in respect of the principal or redemption price of or interest on the Bonds, (4) any notice which is permitted or required to be given to holders of the Bonds under this Resolution, (5) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Bonds, and (6) any consent given or other action taken by DTC as holder of the Bonds.

(e) So long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the holders of such Bonds under this Resolution shall be given to DTC as provided in the Representation Letter.

(f) In connection with any notice or other communication to be provided to holders of Bonds pursuant to this Resolution by this School District or the Paying Agent with respect to any consent or other action to be taken by holders of Bonds, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, provided that this School District or the Paying Agent may establish a special record date for such consent or other action. This School District or the Paying Agent shall give DTC notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(g) The book-entry only system for registration of the ownership of the Bonds may be discontinued at any time if either (1) after notice to this School District and the Paying Agent, DTC determines to resign as securities depository for the Bonds, or (2) after notice to DTC and the Paying

Agent, this School District determines that continuation of the system of book-entry only transfers through DTC (or through a successor securities depository) is not in the best interests of this School District. In either of such events (unless in the case described in clause (2) above, this School District appoints a successor securities depository), the Bonds shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be designated by DTC, but without any liability on the part of this School District or the Paying Agent for the accuracy of such designation. Whenever DTC requests this School District and the Paying Agent to do so, this School District and the Paying Agent shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

SECTION 33. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board of the School District are authorized and directed to perform such acts as may be necessary to facilitate the settlement for the Bonds and the redemption of the of the 2008 A Bonds, the 2009 A Bonds, a portion of the 2010 Bonds, and the 2010 A Bonds.

SECTION 34. Any reference in this Resolution to an officer or member of the Board shall be deemed to refer to his or her duly qualified successor in office, if applicable.

SECTION 35. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of this School District that such remainder shall be and shall remain in full force and effect.

SECTION 36. All resolutions or parts of resolutions, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

SECTION 37. This Resolution shall be effective in accordance with the Debt Act.

DULY ADOPTED, by the Board, in lawful session duly assembled, this 9th day of February, 2015.

EAST PENN SCHOOL DISTRICT,
Lehigh County, Pennsylvania

By: _____
(Vice) President of the Board
of School Directors

ATTEST:

(Assistant) Secretary of the
Board of School Directors

(SEAL)

EXHIBIT "A"

EAST PENN SCHOOL DISTRICT
Lehigh County, Pennsylvania
\$5,835,000 Aggregate Principal Amount
General Obligation Bonds, Series A of 2015

<u>Maturity Date</u>	<u>Aggregate Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Yield to Maturity</u>
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EAST PENN SCHOOL DISTRICT
Lehigh County, Pennsylvania
\$4,160,000 Aggregate Principal Amount
General Obligation Bonds, Series B of 2015

<u>Maturity Date</u>	<u>Aggregate Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Yield to Maturity</u>
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EXHIBIT "B"

(FORM OF BOND)

[The following Legend is to be printed on any Bonds registered in the name of The Depository Trust Company or Cede & Co., its nominee: **“Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL in as much as the registered owner hereof, Cede & Co., has an interest herein.”**]

Number \$ _____

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LEHIGH
EAST PENN SCHOOL DISTRICT
GENERAL OBLIGATION BOND, SERIES __ OF 2015

INTEREST RATE _____ %	MATURITY DATE _____	DATE OF SERIES _____	CUSIP _____
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REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS
(\$ _____)

EAST PENN SCHOOL DISTRICT, in Lehigh County, Pennsylvania (the “Issuer”), a school district existing under laws of the Commonwealth of Pennsylvania (the “Commonwealth”), for value received, promises to pay to the order of the registered owner named hereon, or registered assigns, on the maturity date stated hereon, upon presentation and surrender hereof, the principal sum stated hereon, unless this General Obligation Bond, Series ___ of 2015 (the “Bond”), shall be redeemable and duly shall have been called for earlier redemption and payment of the redemption price shall have been made or provided for, and to

pay initially on April 1, 2015, and thereafter semiannually on April 1 and October 1 of each year, to the registered owner hereof, interest on said principal sum, at the rate per annum stated hereon, until said principal sum has been paid or provision for payment thereof duly has been made. Interest on this Bond shall be payable from the interest payment date next preceding the date of registration and authentication of this Bond, unless: (a) this Bond is registered and authenticated as of an interest payment date, in which event this Bond shall bear interest from such interest payment date; or (b) this Bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event this Bond shall bear interest from such interest payment date; or (c) this Bond is registered and authenticated on or prior to the Record Date next preceding April 1, 2015, in which event this Bond shall bear interest from the Date of Series set forth above; or (d) as shown by the records of the Paying Agent (hereinafter defined), interest on this Bond shall be in default, in which event this Bond shall bear interest from the date to which interest was last paid on this Bond. The interest on this Bond is payable by check drawn on U.S. Bank National Association (the "Paying Agent"), or its successor. The principal of and premium, if any, on this Bond, when due, are payable upon surrender hereof at the designated corporate trust office of the Paying Agent. Payment of the interest hereon shall be made to the registered owner hereof whose name and address shall appear, at the close of business on the fifteenth (15th) day next preceding each interest payment date (the "Record Date"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of this Bond subsequent to such Record Date and prior to such interest payment date, unless the Issuer shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent to the registered owner of this Bond not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name this Bond is registered at the close of business on the fifth (5th) day preceding the date of mailing. Principal, premium, if any, and interest with respect to this Bond are payable in lawful money of the United States of America.

This Bond is one of a series of bonds of the Issuer, known generally as "General Obligation Bonds, Series ___ of 2015" (the "Bonds"), all of like date and tenor, except as to numbers, denominations, dates of maturity, rates of interest, and provisions for redemption, in the aggregate principal amount of _____ Dollars (\$_____).

The Bonds have been authorized for issuance in accordance with the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Debt Act"), of the Commonwealth, and by virtue of a duly adopted resolution (the "Resolution") of the Issuer. The Debt Act, as such shall have been in effect when the Bonds were authorized, and the Resolution shall constitute a contract between the Issuer and registered owners, from time to time, of the Bonds.

The Issuer has covenanted, in the Resolution, to and with registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, pursuant to the

Resolution, that the Issuer shall: (i) include the amount of the debt service for the Bonds, for each fiscal year of the Issuer in which such sums are payable, in its budget for that year, (ii) appropriate such amounts from its general revenues for the payment of such debt service, and (iii) duly and punctually pay or cause to be paid, from the sinking fund established under the Resolution or any other of its revenues or funds, the principal of and interest on each of the Bonds at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the Issuer has pledged and does pledge, irrevocably, its full faith, credit and taxing power.

This Bond shall not be entitled to any benefit under the Resolution, nor shall it be valid, obligatory or enforceable for any purpose, until this Bond shall have been authenticated by the Paying Agent.

The Bonds are issuable only in the form of registered bonds, without coupons, in the denominations of \$5,000 principal amount or any integral multiple thereof. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same series, maturity and interest rate upon surrender of such Bonds to the Paying Agent, with written instructions satisfactory to the Paying Agent.

The Issuer and the Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and the Issuer and the Paying Agent shall not be affected by any notice to the contrary.

This Bond may be transferred by the registered owner hereof upon surrender of this Bond to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of this Bond or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver at the earliest practicable time in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount which the registered owner is entitled to receive.

The Issuer and the Paying Agent shall not be required to issue or to register the transfer of or exchange any Bonds then considered for redemption during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to be redeemed and ending at the close of business on the day of mailing of the applicable notice of redemption, as hereinafter provided, or to register the transfer of or exchange any portion of any bond selected for redemption until after the redemption date.

The Bonds stated to mature on or after October 1, 2020, are subject to redemption prior to maturity, at the option of the Issuer, as a whole, or from time to time, in part, in any order of maturity selected by the Issuer, on April 1, 2020, or on any date thereafter. If less than all Bonds of any particular maturity are to be redeemed, the Bonds of such maturity to be redeemed shall be drawn by lot by the Paying Agent. Any such redemption shall be upon payment of the principal amount to be redeemed, together with accrued interest thereon to the date fixed for redemption.

The Bonds stated to mature on _____, _____, and _____, _____, are subject to mandatory redemption prior to maturity, in the amounts and on _____ of the years set forth in the following schedules, as drawn by lot by the Paying Agent in behalf of the Issuer:

Bonds Stated to Mature on _____, _____:
Date Principal Amount

Bonds Stated to Mature on _____, _____:
Date Principal Amount

Any such redemption shall be upon application of money available for the purpose in the Mandatory Sinking Fund established under the Resolution and shall be upon payment of the principal amount to be redeemed, together with accrued interest thereon to the date fixed for redemption. In lieu of such mandatory redemption, the Paying Agent, as sinking fund depository, in behalf of the Issuer, may purchase, from money available for the purpose in the Sinking Fund established under the Resolution, at a price not to exceed the principal amount plus accrued interest, or the Issuer may tender to the Paying Agent, all or part of the Bonds subject to being drawn for redemption in any such year.

In the case of any partial redemption of Bonds of any maturity that is also subject to mandatory sinking fund redemption, the Issuer shall be entitled to designate whether the amount to be redeemed shall be credited against the principal amount of such Bonds due at maturity or credited against the principal amount of such Bonds scheduled to be called for mandatory sinking fund redemption on any particular date or dates, in each case in an integral multiple of \$5,000 principal amount.

If this Bond is of a denomination larger than \$5,000, a portion of this Bond may be redeemed. For the purposes of redemption, this Bond shall be treated as representing the number of Bonds that is equal to the principal amount hereof divided by \$5,000, each \$5,000 portion of this Bond being subject to redemption. In the case of partial redemption of this Bond, payment of the redemption price shall be made only upon surrender of this Bond in exchange for Bonds of authorized denominations of the same maturity and interest rate and in aggregate principal amount equal to the unredeemed portion of the principal amount hereof; Provided, however, that should this Bond be registered in the name of The Depository Trust Company (“DTC”) or Cede & Co., as nominee for DTC, or any other nominee of DTC, or any other successor securities depository or its nominee, this Bond need not be surrendered for payment and exchange in the event of a partial redemption hereof and the records of the Paying Agent shall be conclusive as to the amount of this Bond which shall have been redeemed.

Notice of redemption shall be deposited in first class mail not less than 30 days prior to the date fixed for redemption and shall be addressed to the registered owners of the Bonds to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the day such Bonds are selected for redemption. Failure to mail any notice of redemption or any defect therein or in the mailing thereof shall not affect the validity of any proceeding for redemption of other Bonds so called for redemption as to which proper notice has been given.

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

The Issuer, in the Resolution, has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal of and the interest on the Bonds shall be deposited not later than the date fixed for the disbursement thereof. The Issuer has covenanted, in the Resolution, to make payments from such sinking fund or from any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of this Bond.

It hereby is certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Bond or in creation of the debt of which this Bond is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Bond, together with any other indebtedness of the Issuer, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the Issuer.

This Bond has been designated by the Issuer as a “qualified tax-exempt obligation”, as defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the “Code”), for purposes and effect contemplated by Section 265 of the Code (relating to expenses and interest relating to tax-exempt income of certain financial institutions).

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of the President of the Board of School Directors, and its official seal or facsimile of its seal to be affixed hereto and the manual or facsimile signature of the Secretary of the Board of School Directors to be affixed hereto in attestation thereof, all on the Date of Series.

EAST PENN SCHOOL DISTRICT,
Lehigh County, Pennsylvania

By: _____
President of the Board of School Directors

ATTEST:

Secretary of the Board of
School Directors

(SEAL)

(FORM OF PAYING AGENT'S CERTIFICATE)

CERTIFICATE OF AUTHENTICATION; CERTIFICATE AS TO OPINION; AND
CERTIFICATE AS TO INSURANCE

It is certified that:

(i) This Bond is one of the Bonds described in the within-mentioned Resolution;

(ii) An original Opinion issued by Rhoads & Sinon LLP, dated and delivered on the date of the original delivery of, and payment for, such Bonds is on file at our designated corporate trust office where the same may be inspected; and

(iii) _____ issued its municipal bond insurance policy, as stated in the Statement of Insurance printed upon this Bond, a copy of which policy is on file at such designated corporate trust office where the same may be inspected.

U.S. BANK NATIONAL ASSOCIATION,
as Paying Agent

By: _____
Authorized Representative

Date of Registration and Authentication:

(FORM OF ASSIGNMENT)

ASSIGNMENT

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

_____ (the "Transferee")
Name

Address

Social Security or Federal Employer Identification No. _____

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

Date: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution that is a participant in a signature guarantee program recognized by the Securities Transfer Association.

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

(FORM OF STATEMENT OF INSURANCE)

STATEMENT OF INSURANCE

[TO BE PROVIDED BY BOND INSURER]

CERTIFICATE

I, the undersigned, (Assistant) Secretary of the Board of School Directors of East Penn School District, in Lehigh County, Pennsylvania, (the "School District"), certify that: the foregoing is a true and correct copy of a Resolution that duly was adopted by affirmative vote of a majority of all members of the Board of School Directors of the School District at a meeting duly held on February 26, 2015; said Resolution duly has been recorded in the minute book of the Board of School Directors of the School District; a notice with respect to the intent to adopt said Resolution has been published as required by law; said Resolution was available for inspection by any interested citizen requesting the same in accordance with the requirements of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania and such notice; and said Resolution has not been amended, altered, modified or repealed as of the date of this Certificate.

I further certify that the Board of School Directors of the School District met the advance notice and public comment requirements of the Sunshine Act, 65 Pa.C.S. Ch. 7, as amended, by advertising the time and place of said meeting, by posting prominently a notice of said meeting at the principal office of the School District or at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment prior to adoption of said Resolution, all as required by such Act.

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

Alan C. Earnshaw	-
Dr. Kenneth Bacher	-
Charles H. Ballard	-
Lynn Donches	-
Francee E. Fuller	-
Rebecca Heid	-
Rev. Waldemar Vinovskis	-
Samuel F. Rhodes, III	-
Dr. Ziad Munson	-

IN WITNESS WHEREOF, I set my hand and affix the official seal of the School District, this 9th day of February, 2015.

(SEAL)

(Assistant) Secretary of the Board
of School Directors