

**BOROUGH OF BADEN
BEAVER COUNTY, PENNSYLVANIA**

ORDINANCE NO. 970

**AN ORDINANCE OF THE BOROUGH OF BADEN,
BEAVER COUNTY, PENNSYLVANIA,
AUTHORIZING THE INCURRING OF
NONELECTORAL DEBT FOR THE PURPOSE OF
REFUNDING PRIOR DEBT, FUNDING A CAPITAL
PROGRAM AND PAYING THE COSTS OF
ISSUANCE, BY THE ISSUANCE OF ONE OR MORE
SERIES OF TAXABLE AND/OR TAX-EXEMPT
GENERAL OBLIGATION BONDS OR NOTES, IN
AN AGGREGATE PRINCIPAL AMOUNT NOT TO
EXCEED \$4,250,000; FINDING SALE BY
NEGOTIATION TO BE IN THE BEST INTERESTS
OF THE BOROUGH; ESTABLISHING
PARAMETERS FOR AND AUTHORIZING THE
ACCEPTANCE AND EXECUTION OF A
PURCHASE CONTRACT IN COMPLIANCE WITH
THE TERMS OF THIS ORDINANCE; PROVIDING
FOR THE FORMS, MAXIMUM MATURITIES,
MAXIMUM INTEREST RATES, MAXIMUM
ANNUAL DEBT SERVICE AND ACCEPTABLE
REDEMPTION FEATURES OF THE BONDS OR
NOTES; COVENANTING FOR THE PAYMENT OF
THE DEBT SERVICE; PLEDGING THE FULL
FAITH, CREDIT AND TAXING POWER OF THE
BOROUGH; AUTHORIZING THE APPLICATION
TO THE PENNSYLVANIA DEPARTMENT OF
COMMUNITY AND ECONOMIC DEVELOPMENT
TO HAVE THE DEBT APPROVED; AUTHORIZING
THE EXECUTION, AUTHENTICATION AND
DELIVERY OF THE BONDS OR NOTES;
APPROPRIATING THE BOND OR NOTE
PROCEEDS; AUTHORIZING PAYMENT OF
EXPENSES; CALLING PRIOR DEBT FOR
REDEMPTION; AUTHORIZING THE EXECUTION
OF ONE OR MORE ESCROW TRUST
AGREEMENTS; AUTHORIZING THE PURCHASE
OF UNITED STATES OBLIGATIONS;
AUTHORIZING THE PURCHASE OF MUNICIPAL**

NOTE OR BOND INSURANCE; APPOINTING BOND COUNSEL; AUTHORIZING A PRELIMINARY OFFICIAL STATEMENT AND APPROVAL OF THE FINAL OFFICIAL STATEMENT; AUTHORIZING THE OPENING OF A CLEARING ACCOUNT; APPOINTING A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITORY; ESTABLISHING A SINKING FUND; RATIFYING PRIOR ADVERTISING AND DIRECTING FURTHER ADVERTISING; UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE IN ACCORDANCE WITH RULE 15c2-12; DESIGNATING NOTES OR BONDS AS "QUALIFIED TAX-EXEMPT OBLIGATIONS"; AND REPEALING INCONSISTENT ORDINANCES.

WHEREAS, the Borough of Baden, Beaver County, Pennsylvania, (the "Borough") is a Borough, organized and existing under the laws of the Commonwealth of Pennsylvania; and

WHEREAS, pursuant to an ordinance, adopted on August 17, 2016 (the "2016 Ordinance"), the Borough incurred debt, evidenced by the Borough's General Obligation Bonds, Series of 2016, in the aggregate principal amount of \$3,825,000 (the "2016 Bonds"), having a final maturity date of December 1, 2032, \$2,910,000 aggregate principal amount of which are presently outstanding, to refund prior debt and pay the costs of issuance, which project had an estimated useful life of fifteen (15) years from the date of issuance of the 2021 Bonds; and

WHEREAS, the Borough desires to undertake the refunding of the 2016 Bonds in order to reduce the total debt service over the life of the 2016 Bonds, pursuant to Section 8241(b)(1) of the Local Government Unit Debt Act, referred to below; and

WHEREAS, the Borough intends to fund a certain capital program, including _____ and undertaking other capital projects (the "2021 Capital Program") and has received preliminary realistic cost estimates that the total sum of approximately \$90,000 is needed to complete the 2021 Capital Program and that the estimated realistic useful lives of the assets, improvements, constructions, renovations and rehabilitations included therein, are at least fifteen (15) years; and

WHEREAS, the Borough desires to undertake (1) the current refunding of the 2016 Bonds; (2) the funding of the 2021 Capital Program; and (3)

the payment of the costs related to the issuance of the 2021 Bonds and or Notes, as defined below, (the "2021 Project"); and

WHEREAS, it is necessary that the indebtedness of the Borough be increased for the purpose of funding the 2021 Project; and

WHEREAS, in order to provide the funds necessary to fund the 2021 Project, the Borough has decided to issue one or more series of tax-exempt or taxable bonds or notes (as shall be identified in the Purchase Proposal) in an aggregate principal amount not to exceed \$4,250,000, designated "Borough of Baden, Beaver County, Pennsylvania, General Obligation Bonds or Notes, Series of 2021, or Taxable Series of 2021", as the case may be, collectively, the "2021 Bonds or Notes" or "Bonds or Notes", in accordance with the terms of this Ordinance and Title 53, Part VII, Subpart B, of the Pennsylvania Consolidated Statutes (53 Pa.C.S. Sections 8001, et seq.), known as the Local Government Unit Debt Act (the "Debt Act"); and

WHEREAS, the proposed increase of indebtedness, together with its nonelectoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the Borough's nonelectoral borrowing power, pursuant to constitutional and statutory authority, to be exceeded; and

WHEREAS, the Borough will apply to the Pennsylvania Department of Community and Economic Development to have the proposed increase of indebtedness approved; and

WHEREAS, the Borough Council (the "Council") desires to invite RBC Capital Markets, LLC (the "Purchaser") to submit, to the Borough, a proposal for the purchase of the 2021 Bonds or Notes at private sale by negotiation and to accept the same and award the 2021 Bonds or Notes to the Purchaser prospectively, provided that the same meet the criteria therefor set forth herein, pursuant to a Purchase Proposal for the purchase of the 2021 Bonds or Notes (the "Proposal"), which as accepted by this Ordinance and further action of the President (as defined below) shall be the Purchase Contract (the "Purchase Contract").

NOW THEREFORE, BE IT ORDAINED AND ENACTED by the Council of the Borough of Baden, Beaver County, Pennsylvania, and it is hereby ORDAINED by the authority of the same, as follows:

SECTION 1. The Borough hereby undertakes the 2021 Project. The description of the 2021 Project, contained in the recitals to this Ordinance, is hereby included herein.

SECTION 2. The Council hereby determines to incur and authorizes the incurrence of nonelectoral debt, in accordance with the provisions of the Debt Act, in an amount not to exceed \$4,250,000, to fund the 2021 Project, which has an estimated useful life of at least fifteen (15) years from August 18, 2021, i.e. August 1, 2036. Such debt shall be evidenced by the issuance of the 2021 Bonds or Notes.

SECTION 3. After considering the advantages and disadvantages of a public sale of the 2021 Bonds or Notes, the Council hereby determines that a private sale by negotiation is in the best financial interests of the Borough.

SECTION 4. (a) The Borough invites and authorizes the Purchaser to submit, in the manner herein provided, the Proposal for the purchase of all but not less than all of the 2021 Bonds or Notes, bearing rates, terms and other provisions not inconsistent with this Ordinance.

(b) The Proposal shall be submitted to the President or Vice-President of the Council (the "President" or "Vice-President", respectively) for approval and acceptance, which Proposal shall include the interest rates, principal amounts, maturity and interest payment dates, and redemption provisions of the 2021 Bonds or Notes, as shall comply with the provisions of this Ordinance, and which the President or Vice-President, the Borough's Solicitor and the Bond Counsel shall approve. The execution and delivery of the acceptance of the Proposal by the appropriate officers of the Borough shall constitute conclusive evidence of such approval and consummate the Purchase Contract to effect the sale and purchase of the 2021 Bonds or Notes.

(c) The Proposal must meet the following requirements:

(i) be submitted to the Borough for acceptance no later than December 31, 2021; and

(ii) the aggregate purchase price for the 2021 Bonds or Notes to be purchased pursuant to the Proposal shall not be less than the total of (A) 98% of the aggregate principal amount thereof, (B) respectively reduced or increased by any net original issue discount or premium, if any, and (C) plus accrued interest, if any; and

(iii) the total scheduled principal and interest payable over the life of the 2021 Bonds or Notes shall not exceed \$5,508,569.44; and

(iv) it must identify which of the 2021 Bonds or Notes will be tax-exempt and which will be taxable; and

(v) it must identify the dated date and the interest payment dates and the principal retirement dates (whether such retirement be by maturity or mandatory sinking fund redemption) for the 2021 Bonds or Notes to be purchased pursuant thereto; and

(vi) the 2021 Bonds or Notes contemplated by the Proposal must conform to the requirements of the Debt Act and this Ordinance; and

(vii) the debt service savings resulting from the refunding of the Refunded Bonds must be at least \$1,000.00.

(d) The President or Vice-President is authorized and directed to execute the Purchase Contract in the name of and on behalf of the Borough. The Secretary of the Council (the "Secretary") is authorized and directed to affix the seal of the Borough to the Purchase Contract when so executed; to attest the same; and to deliver an executed counterpart of the Purchase Contract to the Purchaser.

SECTION 5. (a) The Council determines that the 2021 Bonds or Notes shall bear interest no greater than the maximum rates of interest set forth in Schedule "A" and shall mature, whether by mandatory sinking fund redemption or maturity, on the dates set forth in the Proposal and in principal amounts so that the aggregate amount maturing or subject to mandatory redemption in any particular fiscal year of the Borough shall not exceed the maximum amounts therefor, set forth in Schedule "A" attached hereto. The 2021 Bonds or Notes shall be subject to optional and mandatory sinking fund redemption as set forth in the Proposal, as submitted to the Borough in accordance with the provisions hereof.

(b) The Bonds or Notes shall be numbered consecutively as issued, beginning with the Number 1, without regard to denomination or maturity, and shall bear interest from their Dated Date (as defined below), accruing on the basis of a 360-day year of twelve 30-day months, at the rates per annum, and shall mature or be subject to the mandatory sinking fund redemption on the dates and in the aggregate principal amounts, as set forth in the Proposal, subject to the provisions that:

(i) the rate of interest per annum and the yield for each maturity of the 2021 Bonds or Notes shall not exceed the rates therefor set forth in Schedule "A" attached hereto and incorporated herein; provided that, in the case of term bonds or notes, the applicable maximum rate of interest and yield shall be the maximum rate of interest and yield set forth in Schedule "A" for the relevant maturity date for such term bonds or notes; and

(ii) the aggregate principal amount of 2021 Bonds or Notes scheduled to mature or to be subject to mandatory redemption, as the case may be,

in any fiscal year of the Borough shall not exceed the principal amount set forth for each year in Schedule "A" attached hereto; and

(iii) each 2021 Bond or Note shall bear interest accruing from a date (its "Dated Date"), which date shall be not earlier than sixty (60) days prior to the Bond or Note's date of initial issuance and delivery, as more fully specified in the Proposal; and

(iv) the first Interest Payment Date (hereinafter defined) as specified in the Proposal shall not succeed the Dated Date by more than one (1) year; and

(v) the resulting debt service scheduled to be payable upon the 2021 Bonds or Notes in any particular fiscal year of the Borough shall not exceed the amount shown for such fiscal year in Schedule "A" attached hereto.

SECTION 6. U.S. Bank National Association is hereby appointed Paying Agent (the "Paying Agent") and Registrar (the "Registrar") for the 2021 Bonds or Notes Sinking Fund Depository (the "Sinking Fund Depository") for the 2021 Bonds or Notes Sinking Fund (the "2021 Bonds or Notes Sinking Fund") created hereinafter. The appropriate officers of the Borough are hereby authorized and directed to contract with U.S. Bank National Association for its services as Sinking Fund Depository, Paying Agent and Registrar at such initial and annual charges as shall be appropriate and reasonable for such services. The Borough may, by Ordinance, from time to time, appoint a successor Paying Agent, Sinking Fund Depository or Registrar to fill a vacancy or for any other reason.

SECTION 7. (a) The Bonds or Notes shall be issued in fully registered form (without coupons) and shall be numbered, in such manner as may be satisfactory to the Borough and the Paying Agent. Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, "CUSIP" numbers may be printed on the Bonds or Notes. Each Bond or Note shall be dated as of the date of its authentication. The Bonds or Notes shall be initially dated as of the Dated Date specified in the Proposal and shall be issued in denominations of \$5,000 or any whole multiple thereof. The 2021 Bonds or Notes shall bear interest payable initially on the date specified in the Proposal and thereafter on the dates specified in the Proposal (each, an "Interest Payment Date"), from the Interest Payment Date next preceding the date of such Bond or Note to which interest has been paid, unless the date of such Bond or Note is a date to which interest has been so paid, in which case from the date of such Bond or Note.

(b) As to the 2021 Bonds or Notes, the term "Regular Record Date" with respect to any Interest Payment Date shall mean the date specified in the Proposal (whether or not a business day) preceding such Interest Payment Date that

is specified as such in the Proposal. The person in whose name any Bond or Note is registered at the close of business on any Regular Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date, notwithstanding the cancellation of such Bond or Note upon any transfer or exchange thereof subsequent to such Regular Record Date and prior to such Interest Payment Date, unless the Borough defaults in the payment of the interest due on such Interest Payment Date, in which case such defaulted interest shall be paid to the persons in whose names the applicable outstanding Bonds or Notes are registered at the close of business on a Special Record Date established by the Paying Agent for the payment of such interest, which Special Record Date may not be less than ten (10) nor more than fifteen (15) days prior to the proposed date of payment, notice of which shall have been mailed to all affected registered owners of Bonds or Notes not less than ten (10) nor more than fifteen (15) days prior to such Special Record Date.

SECTION 8. (a) The Borough shall cause to be kept, at the Designated Corporate Trust Office (hereinafter defined) of the Paying Agent, a register (the "Bond or Note Register") in which, subject to such reasonable regulations as it may prescribe, the Borough shall provide for the registration of Bonds or Notes and the registration of transfers and exchanges of Bonds or Notes. No transfer or exchange of any Bond or Note shall be valid unless made at such office and registered in the Bond or Note Register. The term "Designated Corporate Trust Office" as used herein means any corporate trust office of the Paying Agent, or affiliated banking institution or trust company acting in its behalf, designated from time to time by the Paying Agent as the place at which principal of or interest on Bonds or Notes is to be payable or at which Bonds or Notes are to be presented for payment, transfer or exchange, to the extent such designation is permissible under Pennsylvania law, and if such designation is not made by the Paying Agent a place so designated by the Borough.

(b) Upon surrender of any Bond or Note at the Designated Corporate Trust Office of the Paying Agent for registration of transfer, the Borough shall execute and the Paying Agent shall authenticate and deliver, in the name of the transferee or transferees, a new Bond, Bonds, Note or Notes of any authorized denomination, of the same interest rate, series and maturity and in the same aggregate principal amount as the Bond or Note so surrendered.

(c) Any Bond or Note shall be exchangeable for other Bonds or Notes of the same series, maturity and interest rate, in any authorized denomination, in an aggregate principal amount equal to the principal amount of the Bond, Bonds, Note or Notes presented for exchange. Upon surrender of any Bond or Note for exchange, at the Designated Corporate Trust Office of the Paying Agent, the Borough shall execute and the Paying Agent shall authenticate and deliver, in

exchange therefor, the Bond, Bonds, Note or Notes which the owner making the exchange shall be entitled to receive.

(d) All Bonds or Notes issued upon any registration of transfer or exchange shall be valid obligations of the Borough, evidencing the same debt and entitled to the same benefits under this Ordinance as the Bonds or Notes surrendered for such registration of transfer or exchange.

(e) Every Bond or Note presented or surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer, in form and with guaranty of signature satisfactory to the Borough and the Registrar, duly executed by the registered owner thereof or his duly authorized agent or legal representative.

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

(g) The Borough shall not be required to: (i) issue or register the transfer or exchange of any Bond or Note that could be the subject of such selection during a period of fifteen (15) days before any date of selection of Bonds or Notes to be redeemed; (ii) issue or register the transfer or exchange of any Bond or Note after it has been selected for redemption (other than, in the case of Bonds or Notes issued pursuant to Section 11., below, in exchange for the unredeemed portions of Bonds or Notes duly redeemed in part); or (iii) issue or register the transfer or exchange of any Bond or Note subsequent to any record date for the payment of interest thereon and prior to the interest payment date to which it pertains.

SECTION 9. The Bonds or Notes shall be executed on behalf of the Borough by the President and shall have an original impression or a facsimile of the corporate seal of the Borough affixed thereto, duly attested by the Secretary, and said officers are hereby authorized and directed to execute the Bonds or Notes. The Bonds or Notes shall be authenticated in each case by the manual execution of the applicable Certificate of Authentication by a duly authorized signatory of the Paying Agent. No Bond or Note shall be valid until such Certificate of Authentication shall have been duly executed by the Paying Agent. Such authentication shall be conclusive and the only proof that any Bond or Note has been issued, pursuant to this Ordinance, and is entitled to any benefits conferred thereon under the provisions of this Ordinance. To the extent that any one signature on a Bond or Note (including the signature of the authorized signatory of the Paying Agent) is manual, all other signatures may be by facsimile. The President is hereby authorized and directed to deliver the Bonds or Notes to the

Purchaser and receive payment therefor on behalf of the Borough after sale of the same in the manner required by law and this Ordinance.

SECTION 10. (a) In consideration of the purchase and acceptance of the Bonds or Notes authorized to be issued hereunder by those who shall purchase the same, from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Borough and the holders of the Bonds or Notes. The covenants and agreements herein set forth to be performed by the Borough shall be for the benefit, protection and security of holders of the Bonds or Notes, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank, without preference, priority or distinction of any Bond or Note over any other, except as expressly provided therein or herein.

(b) The Borough hereby covenants with the holders from time to time of the Bonds or Notes: (i) that the Borough will appropriate to and deposit in the 2021 Bonds or Notes Sinking Fund, such amounts as shall be sufficient and for the payment of the debt service on the 2021 Bonds or Notes; and (ii) that the Borough will duly and punctually pay to the extent necessary, out of its general revenues so deposited, the principal of every 2021 Bond or Note issued hereunder and the interest thereon on the dates, at the places and in the manner stated in the 2021 Bonds or Notes, according to the true intent and meaning thereof; and for such budgeting, appropriation and payment, the Borough hereby pledges its full faith, credit and taxing power.

(c) The Bonds or Notes are hereby declared to be general obligations of the Borough. The Borough hereby covenants with the registered owners, from time to time, of the Bonds or Notes outstanding pursuant to this Ordinance, that it will include the amount of the debt service as specified in this Section, subject to appropriate adjustment in the event of the optional redemption of any Bond or Note prior to maturity, on the Bonds or Notes for each fiscal year in which such sums are payable, in its budget for that year; will appropriate such amounts for such payments; and will duly and punctually pay or cause to be paid the principal of the Bonds or Notes and the interest thereon on the dates, at the places and in the manner stated therein, according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Borough does hereby pledge its full faith, credit and taxing power. The maximum amount of the debt service which the Borough hereby covenants to pay on the 2021 Bonds or Notes in each fiscal year is (1) the amount shown, for each fiscal year, on Schedule "A", which is attached hereto and incorporated herein by reference as if set out here at length, or (2) an amount equal to the aggregate principal amount of Bonds or Notes maturing or subject to mandatory redemption in such fiscal year plus the interest due on the Bonds or Notes in such fiscal year, whichever amount shall be the lesser.

(d) As provided in the Debt Act, the foregoing covenants are specifically enforceable.

SECTION 11. (a) The 2021 Bonds or Notes shall be subject to redemption prior to maturity, at the option of the Borough, at the prices and in the manner to be specified in the Proposal.

(b) The 2021 Bonds or Notes shall be subject to mandatory redemption, in part, from the 2021 Bonds or Notes Sinking Fund, in the aggregate principal amounts, at the times, at the prices and in the manner to be specified in the Proposal. If less than an entire year's maturity of any particular series of the 2021 Bonds or Notes is to be redeemed at any particular time, the 2021 Bonds or Notes of such maturity so to be called for redemption shall be chosen by the Paying Agent by lot in \$5,000 increments in the manner it shall deem proper.

(c) Notice of any redemption shall be given by mailing a notice of redemption by first class mail, postage prepaid, not less than thirty (30) days prior to the redemption date to the registered owners of Bonds or Notes to be redeemed at the addresses which appear on the Bond or Note Register, provided however, that failure to mail such notice nor any defect in the notice so mailed or in the mailing thereof with respect to any one Bond or Note shall affect the validity of the proceedings for the redemption of any other Bond or Note. If the Borough shall have duly given notice of redemption and shall have deposited funds, with the Paying Agent for the payment of the redemption price of the Bonds or Notes so called for redemption, with accrued interest thereon to the date fixed for redemption, interest on such Bonds or Notes shall forever cease to accrue on such date fixed for redemption.

If, at the time of the mailing of any notice of optional redemption, the Borough shall not have deposited, with the Paying Agent, sufficient moneys to redeem all of the Bonds or Notes called for redemption, such notice shall state that it is subject to the deposit of the redemption monies with the Paying Agent not later than the opening of business on the redemption date and shall be of no effect unless such moneys are so deposited.

(d) Notices of redemption shall contain the applicable CUSIP numbers pertaining to the Bonds or Notes called for redemption (if then generally in use) and shall also contain the serial identification numbers printed on the Bonds or Notes.

(e) Any portion of any Bond or Note of a denomination larger than \$5,000 may be redeemed, but only in the principal amount of \$5,000 or any integral multiple thereof. Prior to selecting Bonds or Notes for redemption, the Paying Agent shall assign numbers to each \$5,000 portion of any Bond or Note of a

denomination larger than \$5,000 and shall treat each portion as a separate Bond or Note in the denomination of \$5,000 for purposes of selection for redemption. Upon surrender of any Bond or Note for redemption of a portion thereof, the Paying Agent shall authenticate and deliver to the registered owner thereof a new Bond, Bonds, Note or Notes of the same series and maturity and in any authorized denominations requested by the registered owner in an aggregate principal amount equal to the unredeemed portion of the Bond or Note surrendered.

SECTION 12. (a) There is hereby established, with the Sinking Fund Depository, a sinking fund, which may consist of one or more sub-accounts, to be known as "Borough of Baden 2021 Bonds or Notes Sinking Fund" (the "2021 Bonds or Notes Sinking Fund") into which the Borough covenants to deposit and into which the Treasurer of the Borough (the "Treasurer") is hereby authorized and directed to deposit (i) on or before each Interest Payment Date pertaining to the 2021 Bonds or Notes, (and in sufficient time to meet the requirements of the Bond Insurers, if any), amounts sufficient to pay the interest due on such dates on the 2021 Bonds or Notes then outstanding, and (ii) on or before each Interest Payment Date, (and in sufficient time to meet the requirements of the Bond Insurers, if any), amounts sufficient to pay the principal of the 2021 Bonds or Notes due on such date (whether by maturity or mandatory redemption). Should the amounts covenanted to be paid into the 2021 Bonds or Notes Sinking Fund be, at any time, in excess of the net amounts required at such time for the payment of interest and principal then due on the 2021 Bonds or Notes, whether by reason of funds already on deposit in the 2021 Bonds or Notes Sinking Fund or by reason of the purchase or redemption of 2021 Bonds or Notes or for some similar reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

(b) The Borough may satisfy any part of its obligations, with respect to subsection (a), by delivering, to the Paying Agent and Sinking Fund Depository, for cancellation, Bonds or Notes maturing or subject to mandatory redemption on the date by which such deposit is required. The Borough shall receive credit against such deposit for the face amount of the Bonds or Notes so delivered and the interest thereon that would otherwise be due on the applicable date of maturity or mandatory redemption, provided that such Bonds or Notes are delivered to and received by the Paying Agent and Sinking Fund Depository on or before the maturity date of the Bonds or Notes for which credit is requested, in the case of a deposit required for the payment of Bonds or Notes at maturity or before notice is given of any mandatory redemption of the series and maturity for which credit is requested, in the case of a deposit required for a mandatory redemption payment.

(c) All sums in the 2021 Bonds or Notes Sinking Fund or particular sub-account shall be applied, exclusively, to the payment of 2021 Bonds or Notes principal and interest covenanted to be paid by Section 10., above, hereof, as the same, from time to time, become due and payable. The balance of said moneys, over

and above the sum so required, shall remain in the 2021 Bonds or Notes Sinking Fund, or particular sub-account, to be applied to the reduction of future required deposits; subject, however, to investment or deposit at interest, as authorized by law and as permitted by Section 19., below. The 2021 Bonds or Notes Sinking Fund shall be kept as a separate account at the Designated Corporate Trust Office of the Sinking Fund Depository. The Sinking Fund Depository, without further authorization other than as herein contained, shall pay from the moneys in the 2021 Bonds or Notes Sinking Fund, the interest on the 2021 Bonds or Notes, as and when due, to the registered owners on the appropriate Record Date and the principal of the 2021 Bonds or Notes, as and when the same shall become due, to the registered owners thereof.

(d) Notwithstanding the foregoing, in the case of optional redemption of any or all of the Bonds or Notes as permitted by Section 11., above, the Treasurer is hereby authorized and directed to deposit, from time to time, before the appropriate optional redemption date, moneys which shall be sufficient when they, either alone or together with the interest to be earned thereon, if any, will equal the principal of the Bonds or Notes so called for redemption and the premium, if any, and accrued interest thereon to the date fixed for redemption.

SECTION 13. There is hereby established, with the Sinking Fund Depository, a special fund to be known as the "Borough of Baden 2021 Clearing Account" (the "Clearing Account") which shall be held as a trust fund for the benefit of the Borough until disbursed in accordance with the provisions hereof. The Borough shall deliver the net proceeds (including accrued interest) derived from the sale of the Bonds or Notes to the Sinking Fund Depository for deposit to the Clearing Account. Upon written directions from the Borough signed by the President, the Sinking Fund Depository shall pay, out of the Clearing Account, the costs and expenses of the issuance of the Bonds or Notes; transfer the amounts of accrued interest, if any, to the 2021 Bonds or Notes Sinking Fund; deposit the specified amounts with the 2016 Paying Agent for the purpose of currently refunding the 2016 Bonds; and deposit the specified amount to the 2021 Capital Program Account, as contemplated in this Ordinance and in the Official Statement. The written direction from the Borough shall state the names of the respective payees; the purpose for which the expenditure has been incurred or the purpose of the transfer, whichever is applicable; and contain a certification that each item of expense for which payment has been requested has been properly incurred and is then unpaid, and that each transfer which is requested is in accordance with the provisions of this Ordinance. Any insubstantial amounts of money which may remain after fulfilling the purposes set forth herein shall, promptly upon their determination, be deposited in the 2021 Capital Program Account.

SECTION 14. (a) The Borough hereby covenants with the registered owners, from time to time, of the tax-exempt (as identified in the Proposal) Bonds or

Notes (the "Exempt Bonds or Notes") that no part of the proceeds of the Exempt Bonds or Notes will be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably expected on the date of issuance of the Exempt Bonds or Notes, would have caused the Exempt Bonds or Notes to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986 (the "Code") and the Regulations thereunder proposed or in effect at the time of such use and applicable to the Exempt Bonds or Notes, and that it will comply with the requirements of that Section and the Regulations throughout the term of the Exempt Bonds or Notes.

(b) The Borough covenants that it will rebate its arbitrage to the U.S. Treasury, in accordance with Section 148(f) of the Code and regulations thereunder, but only to the extent that the allowable exceptions do not apply.

(c) The Borough covenants that it will file IRS Form 8038-G and any other forms or information required by the Code to be filed in order to permit the interest on the Exempt Bonds or Notes to be excluded from gross income tax for federal income tax purposes.

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

SECTION 16. The Borough hereby appoints John F. Salopek, Esquire, as Bond Counsel, for the purpose of rendering any and all necessary opinions with respect to the Bonds or Notes.

SECTION 17. The President and Secretary are hereby authorized and directed to prepare, verify and file with the Department of Community and Economic Development, in accordance with the Debt Act, a transcript of the proceedings relating to the issuance of the Bonds and Notes, including the Debt Statement and Borrowing Base Certificate required by Section 8029 of the Debt Act and to take other necessary action.

SECTION 18. The President is hereby authorized to approve, on behalf of the Borough, a Preliminary Official Statement prepared with respect to the 2021 Bonds or Notes and, subject to and upon such approval, the same is hereby deemed final, as of its date, by the Borough, for the purpose of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission. The President or Vice-President is hereby authorized to execute and approve a Final Official Statement

relating to the Bonds or Notes, provided that the Final Official Statement shall have been approved by the Borough Solicitor. The distribution of the Preliminary Official Statement is hereby authorized and the Purchaser is hereby authorized to use the Preliminary and the Final Official Statements in connection with the sale of the 2021 Bonds or Notes and prior use of the Preliminary Official Statement by the Purchaser is hereby ratified.

SECTION 19. Any moneys in the 2021 Bonds or Notes Sinking Fund not required for prompt expenditure may, at the direction of the Borough, be invested in bonds, notes or obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States of America or may be deposited at interest in time deposit accounts or certificates of deposit or other interest bearing accounts of any bank or bank and trust company, savings and loan association or building and loan association. To the extent that such deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such moneys are required to be paid to the registered owners.

SECTION 20. The officers and officials of the Borough are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effect the execution, issuance, sale and delivery of the Bonds or Notes, all in accordance with this Ordinance.

SECTION 21. Any authorization granted to, power conferred on or direction given to the President or Secretary shall be deemed to run to the Vice-President or the Assistant or Acting Secretary, respectively, as if such latter titles had been expressly included in the text hereof which grants such authorization, confers such power or gives such direction.

SECTION 22. (a) The form of the tax-exempt 2021 Bonds or Notes shall be substantially as follows (the use of the word "Bond" may be substituted by the word "Note" to identify the tax-exempt obligation as provided in the Proposal):

[The remainder of this page is intentionally left blank.]

(FORM OF TAX-EXEMPT 2021 GENERAL OBLIGATION BONDS OR NOTES)

[FRONT OF BOND]

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

BOROUGH OF BADEN
BEAVER COUNTY, PENNSYLVANIA
GENERAL OBLIGATION BONDS, TAX-EXEMPT SERIES OF 2021

DATED DATE INTEREST RATE MATURITY DATE CUSIP

_____, 20__

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

The BOROUGH OF BADEN, Beaver County, Pennsylvania (the "Borough"), organized and existing under the laws of the Commonwealth of Pennsylvania, for value received and intending to be legally bound, hereby acknowledges itself indebted and promises to pay, as a general obligation of the Borough, to the registered owner shown hereon or registered assigns, on the Maturity Date shown hereon (unless this bond shall be redeemable and before said date shall have been duly called for redemption in whole or in part and payment of the redemption price made or provided for) upon surrender hereof, the principal amount shown hereon and to pay interest thereon, accruing from _____, 20__, at the rate per annum shown hereon, on _____, 20__, the first date for payment of interest hereon, and semi-annually thereafter on _____ and _____ in each year (each an "Interest Payment Date"), until payment of said principal sum has been made or provided for.

The principal of, interest on, and premium (if any) payable upon the redemption of this bond are payable at the Designated Corporate Trust Office (hereinafter defined) of U.S. Bank National Association as Sinking Fund Depository, Paying Agent and Registrar (the "Sinking Fund Depository"). The interest hereon is payable by check or draft mailed by the Sinking Fund Depository to the registered owner of this bond as of the record date for the payment of such interest, said record date (the "Record Date") being the day which is the _____ day of the calendar month (whether or not a business day) preceding that in which said interest becomes due. The term "Designated Corporate Trust Office" as used herein means any corporate trust office of the Sinking Fund Depository, or affiliated banking institution or trust company acting in its behalf, designated from time to

time by the Sinking Fund Depository as the place at which principal of or interest on bonds is to be payable or at which bonds are to be presented for payment, transfer or exchange, to the extent such designation is permissible under Pennsylvania law, and if such designation is not made by the Sinking Fund Depository a place so designated by the Borough.

THE TERMS AND PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE SIDE HEREOF AND SUCH TERMS AND PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH HERE.

This bond shall not be valid or become obligatory for any purpose unless the Certificate of Authentication hereon shall have been signed by the manual signature of an authorized signatory of the Sinking Fund Depository.

IN WITNESS WHEREOF, the BOROUGH OF BADEN has caused this bond to be signed in its name and on its behalf by its President or Vice President by his manual or facsimile signature, and its corporate seal or a facsimile thereof to be hereto affixed and attested by its Secretary by his or her manual or facsimile signature.

ATTEST:

BOROUGH OF BADEN

Secretary

By: _____
President

[SEAL]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the issue of \$_____, aggregate principal amount, Borough of Baden General Obligation Bonds, Tax-Exempt Series of 2021, described in the within-mentioned Debt Ordinance. The Text of Opinion printed on the reverse hereof is the text of the opinion of John F. Salopek, Esquire, Bond Counsel, of Baden, Pennsylvania, an executed counterpart of which, dated the date of initial delivery of and payment for the series of bonds of which this bond is one, is on file at the office of the Sinking Fund Depository.

U.S. BANK NATIONAL
ASSOCIATION

By: _____
Authorized Signatory

AUTHENTICATION DATE:

_____, 20____

[REVERSE OF BOND]

This bond is one of a duly authorized series of bonds, designated "Borough of Baden General Obligation Bonds, Tax-Exempt Series of 2021" (the "Bonds"), issued in accordance with Title 53, Part VII, Subpart B, of the Pennsylvania Consolidated Statutes (53 Pa. C.S. Section 8001, et seq.) known as the Local Government Unit Debt Act (the "Debt Act"), pursuant to all the terms and provisions of the formal action of the Borough (the "Debt Ordinance") enacted on _____, 2021, and with the approval of the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

Interest payable on any Interest Payment Date will be paid to the person in whose name this bond is registered at the close of business on the _____ or _____ (the "Record Date"), whether or not a business day, preceding the applicable Interest Payment Date. Any such interest which is not deposited with the Sinking Fund Depository on or before any such Interest Payment Date for payment to the registered owner of record as of the Record Date shall forthwith cease to be payable to such registered owner as of the Record Date, and shall be paid to the person in whose name this bond is registered as of a Special Record Date for the payment of such defaulted interest to be fixed by the Sinking Fund Depository, notice of which shall be given to all affected registered owners not less than 10 nor more than 15 days prior to such Special Record Date.

The Bonds maturing after _____, 20__ are subject to redemption at the option of the Borough, prior to their stated Maturity Dates, as a whole or in part on _____, 20__, or on any date thereafter, in any order of maturity (and in any authorized principal amount within a maturity) selected by the Borough and selected by lot by the Paying Agent within a maturity, in both cases, at a redemption price equal to ___% of the principal amount thereof plus accrued interest to the date fixed for redemption.

Through the operation of the 2021 Bonds Sinking Fund (hereinafter defined), as provided in the Debt Ordinance, the Borough covenants to redeem (or pay at maturity, as the case may be) the Bonds maturing on _____, 20__, and 20__ in accordance with the following schedule, such redemptions (or payments at maturity) to be made at a redemption price of ___% of the principal

amount plus accrued interest to the date fixed for redemption, i.e. _____ of the years and at the aggregate principal amounts set forth below:

<u>Redemption Date</u>	<u>Principal Amount To be Redeemed</u>
20 <u> </u> <u>Maturity</u>	
20 <u> </u>	\$
20 <u> </u>	\$
20 <u> </u>	\$

<u>Redemption Date</u>	<u>Principal Amount To be Redeemed</u>
20 <u> </u> <u>Maturity</u>	
20 <u> </u>	\$
20 <u> </u>	\$
20 <u> </u>	\$

*By Maturity, not by redemption.

If less than all Bonds maturing on any one date are to be redeemed at any time, the Bonds of such maturity to be called for redemption at such time shall be chosen by the Sinking Fund Depository, by lot.

Notice of redemption of any Bond shall be given to the registered owner of such Bond by first class mail, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption, all in the manner and upon the terms and conditions set forth in the Debt Ordinance. A portion of a Bond of a denomination larger than \$5,000 may be redeemed, and in such case, upon the surrender of such Bond, there shall be issued to the registered owner thereof, without charge therefor, a registered Bond or Bonds, of like tenor, in exchange for the unredeemed portion of such Bond, all as more fully set forth in the Debt Ordinance. If notice of redemption shall have been duly given, the Bonds or portions thereof specified in that notice shall become due and payable at the applicable redemption price on the designated redemption date, and if, on such date, moneys are held for such purpose by the Sinking Fund Depository in an amount sufficient for the payment of the redemption price of the Bonds to be redeemed, including accrued interest to the date fixed for redemption, then from and after such date interest on such Bonds shall cease to accrue.

The Borough, pursuant to recommendations made by the Committee on Uniform Security Identification Procedures, has caused CUSIP numbers to be printed on the Bonds, and has directed the Sinking Fund Depository to use such numbers in notices of redemption and other notices, if any, as a convenience to the registered owners of the Bonds. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice and reliance may be placed only on the identification number printed hereon.

This bond may be transferred or exchanged only on the Register maintained by the Borough at the Designated Corporate Trust Office of the Sinking Fund Depository upon surrender hereof by the registered owner at such office duly endorsed by, or accompanied by a written instrument of transfer duly executed by the registered owner or his duly authorized agent or legal representative, in each case, in form and with a guaranty of signature satisfactory to the Borough and the Sinking Fund Depository. No service charge shall be imposed on any registered owner of any Bond for any transfer or exchange of any Bond, but the Borough may require payment of any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

The Borough shall not be required to register the transfer or exchange of any Bond: (a) if such Bond is subject to such selection, during the period of fifteen (15) days before any date of selection of Bonds to be redeemed; (b) after such Bond has been selected for redemption; or (c) subsequent to any record date for the payment of interest thereon and prior to the interest payment date to which it pertains.

Subject to the provisions of this bond and of the Debt Ordinance relating to the payment of interest hereon, the Sinking Fund Depository may treat the registered owner of this bond as the absolute owner hereof, for all purposes, whether or not this bond shall be overdue, and neither the Borough nor the Sinking Fund Depository shall be affected by any notice to the contrary.

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Borough or its agent for registration of transfer, exchange, or payment, and any Bond 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 inasmuch as the Registered Holder hereof, Cede & Co., has an interest herein.

This bond is hereby declared to be a general obligation of the Borough. The Borough hereby covenants with the registered owner of this bond to

include the amount necessary to pay the debt service hereon, in each fiscal year for which such sums are due, in its budget for that fiscal year and to punctually pay or cause to be paid from the 2021 Bonds Sinking Fund (hereinafter defined) or any other of its revenues or funds, the principal of this bond and the interest hereon on the dates, at the place and in the manner stated herein, according to the true intent and meaning hereof. The full faith, credit and taxing power of the Borough is pledged for the payment of the principal of, the interest on and the premium (if any) payable upon the redemption of this bond.

It is hereby certified that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed, precedent to or in the issuance of this bond or in the creation of the debt of which this bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this bond, together with all other indebtedness of the Borough, is within every debt and other limit applicable to the Borough prescribed by the Constitution and the laws of the Commonwealth of Pennsylvania; that the Borough has established with the Sinking Fund Depository a sinking fund, within the meaning of the Debt Act, (the "2021 Bonds Sinking Fund") for this bond and shall deposit therein amounts sufficient to pay the principal of and interest on this bond as the same shall become due and payable; and that for the prompt and full payment of all obligations under this bond, the full faith, credit and taxing power of the Borough are hereby irrevocably pledged.

No recourse shall be had for the payment of the principal of or the interest on this bond, or for any claim based hereon, against any councilmember, officer, agent or employee, past, present or future, of the Borough, as such, either directly or through the Borough, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise; all such liability of such councilmembers, officers, agents or employees is hereby renounced, waived and released as a condition of and as consideration for the issuance and acceptance of this bond.

[TEXT OF OPINION OF JOHN F. SALOPEK, ESQUIRE, DELIVERED IN RESPECT OF \$ _____, BOROUGH OF BADEN, BEAVER COUNTY, PENNSYLVANIA, GENERAL OBLIGATION BONDS, TAX-EXEMPT SERIES OF 2021.]

[STATEMENT OF MUNICIPAL BOND INSURANCE]

ASSIGNMENT

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

[Please print or type name and address of Assignee.]

[Please insert Social Security or other identifying number of Assignee.]

the within Bond and all rights irrevocably constitutes and appoints

_____ as his Attorney to transfer this Bond on the books for the registration thereof, with full power of substitution in the premises.

Dated _____

Signature Guaranteed:

(NOTICE: Signature(s) must be guaranteed by a member of an approved Signature Guarantee Medallion Program.)

(Sign here exactly as name(s) is (are) shown on the face of the Bond without any change or alteration whatever.)

(b) The form of the Taxable Series of 2021 shall be substantially as follows (the use of the word "Bond" may be substituted by word "Note" to identify the taxable obligation as provided in the Proposal):

(FORM OF TAXABLE 2021 GENERAL OBLIGATION BONDS OR NOTES)

[FRONT OF BOND]

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

BOROUGH OF BADEN
BEAVER COUNTY, PENNSYLVANIA
GENERAL OBLIGATION BONDS,
TAXABLE SERIES OF 2021

<u>DATED DATE</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>CUSIP</u>
_____, 20__			

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

The BOROUGH OF BADEN, Beaver County, Pennsylvania (the "Borough"), organized and existing under the laws of the Commonwealth of Pennsylvania, for value received and intending to be legally bound, hereby acknowledges itself indebted and promises to pay, as a general obligation of the Borough, to the registered owner shown hereon or registered assigns, on the Maturity Date shown hereon (unless this bond shall be redeemable and before said date shall have been duly called for redemption in whole or in part and payment of the redemption price made or provided for) upon surrender hereof, the principal amount shown hereon and to pay interest thereon, accruing from _____, 20__, at the rate per annum shown hereon, on _____, 20__, the first date for payment of interest hereon, and semi-annually thereafter on _____ and _____ in each year (each an "Interest Payment Date"), until payment of said principal sum has been made or provided for.

The principal of, interest on, and premium (if any) payable upon the redemption of this bond are payable at the Designated Corporate Trust Office (hereinafter defined) of U.S. Bank National Association as Sinking Fund Depository, Paying Agent and Registrar (the "Sinking Fund Depository"). The interest hereon is payable by check or draft mailed by the Sinking Fund Depository to the registered owner of this bond as of the record date for the payment of such interest, said

record date (the "Record Date") being the day which is the _____ day of the calendar month (whether or not a business day) preceding that in which said interest becomes due. The term "Designated Corporate Trust Office" as used herein means any corporate trust office of the Sinking Fund Depository, or affiliated banking institution or trust company acting in its behalf, designated from time to time by the Sinking Fund Depository as the place at which principal of or interest on bonds is to be payable or at which bonds are to be presented for payment, transfer or exchange, to the extent such designation is permissible under Pennsylvania law, and if such designation is not made by the Sinking Fund Depository a place so designated by the Borough.

THE TERMS AND PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE SIDE HEREOF AND SUCH TERMS AND PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH HERE.

This bond shall not be valid or become obligatory for any purpose unless the Certificate of Authentication hereon shall have been signed by the manual signature of an authorized signatory of the Sinking Fund Depository.

IN WITNESS WHEREOF, the BOROUGH OF BADEN has caused this bond to be signed in its name and on its behalf by its President or Vice President by his manual or facsimile signature, and its corporate seal or a facsimile thereof to be hereto affixed and attested by its Secretary by his or her manual or facsimile signature.

ATTEST:

BOROUGH OF BADEN

Secretary

By: _____
President

[SEAL]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the issue of \$_____, aggregate principal amount, Borough of Baden General Obligation Bonds, Taxable Series of 2021, described in the within-mentioned Debt Ordinance. The Text of Opinion

printed on the reverse hereof is the text of the opinion of John F. Salopek, Esquire, Bond Counsel, of Baden, Pennsylvania, an executed counterpart of which, dated the date of initial delivery of and payment for the series of Bonds of which this bond is one, is on file at the office of the Sinking Fund Depository.

U.S. BANK NATIONAL
ASSOCIATION

By: _____
Authorized Signatory

AUTHENTICATION DATE:

_____, 20__

[REVERSE OF BOND]

This bond is one of a duly authorized series of bonds, designated "Borough of Baden General Obligation Bonds, Taxable Series of 2021" (the "Bonds"), issued in accordance with Title 53, Part VII, Subpart B, of the Pennsylvania Consolidated Statutes (53 Pa. C.S. Section 8001, et seq.) known as the Local Government Unit Debt Act (the "Debt Act"), pursuant to all the terms and provisions of the formal action of the Borough (the "Debt Ordinance") enacted on _____, 2021, and with the approval of the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

Interest payable on any Interest Payment Date will be paid to the person in whose name this bond is registered at the close of business on the _____ or _____ (the "Record Date"), whether or not a business day, preceding the applicable Interest Payment Date. Any such interest which is not deposited with the Sinking Fund Depository on or before any such Interest Payment Date for payment to the registered owner of record as of the Record Date shall forthwith cease to be payable to such registered owner as of the Record Date, and shall be paid to the person in whose name this bond is registered as of a Special Record Date for the payment of such defaulted interest to be fixed by the Sinking Fund Depository, notice of which shall be given to all affected registered owners not less than 10 nor more than 15 days prior to such Special Record Date.

The Bonds maturing after _____, 20__ are subject to redemption at the option of the Borough, prior to their stated Maturity Dates, as a

whole or in part on _____, 20__, or on any date thereafter, in any order of maturity (and in any authorized principal amount within a maturity) selected by the Borough and selected by lot by the Paying Agent within a maturity, in both cases, at a redemption price equal to ____% of the principal amount thereof plus accrued interest to the date fixed for redemption.

Through the operation of the 2021 Bonds Sinking Fund (hereinafter defined), as provided in the Debt Ordinance, the Borough covenants to redeem (or pay at maturity, as the case may be) the Bonds maturing on _____, 20__, and 20__ in accordance with the following schedule, such redemptions (or payments at maturity) to be made at a redemption price of ____% of the principal amount plus accrued interest to the date fixed for redemption, i.e. _____ of the years and at the aggregate principal amounts set forth below:

<u>Redemption Date</u>	<u>Principal Amount To be Redeemed</u>
20 <u>Maturity</u>	
20__	\$
20__	\$
20__	\$

<u>Redemption Date</u>	<u>Principal Amount To be Redeemed</u>
20 <u>Maturity</u>	
20__	\$
20__	\$
20__	\$

*By Maturity, not by redemption.

If less than all Bonds maturing on any one date are to be redeemed at any time, the Bonds of such maturity to be called for redemption at such time shall be chosen by the Sinking Fund Depository, by lot.

Notice of redemption of any Bond shall be given to the registered owner of such Bond by first class mail, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption, all in the manner and upon the

terms and conditions set forth in the Debt Ordinance. A portion of a Bond of a denomination larger than \$5,000 may be redeemed, and in such case, upon the surrender of such Bond, there shall be issued to the registered owner thereof, without charge therefor, a registered Bond or Bonds, of like tenor, in exchange for the unredeemed portion of such Bond, all as more fully set forth in the Debt Ordinance. If notice of redemption shall have been duly given, the Bonds or portions thereof specified in that notice shall become due and payable at the applicable redemption price on the designated redemption date, and if, on such date, moneys are held for such purpose by the Sinking Fund Depository in an amount sufficient for the payment of the redemption price of the Bonds to be redeemed, including accrued interest to the date fixed for redemption, then from and after such date interest on such Bonds shall cease to accrue.

The Borough, pursuant to recommendations made by the Committee on Uniform Security Identification Procedures, has caused CUSIP numbers to be printed on the Bonds, and has directed the Sinking Fund Depository to use such numbers in notices of redemption and other notices, if any, as a convenience to the registered owners of the Bonds. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice and reliance may be placed only on the identification number printed hereon.

This bond may be transferred or exchanged only on the Register maintained by the Borough at the Designated Corporate Trust Office of the Sinking Fund Depository upon surrender hereof by the registered owner at such office duly endorsed by, or accompanied by a written instrument of transfer duly executed by the registered owner or his duly authorized agent or legal representative, in each case, in form and with a guaranty of signature satisfactory to the Borough and the Sinking Fund Depository. No service charge shall be imposed on any registered owner of any Bond for any transfer or exchange of any Bond, but the Borough may require payment of any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

The Borough shall not be required to register the transfer or exchange of any Bond: (a) if such Bond is subject to such selection, during the period of fifteen (15) days before any date of selection of Bonds to be redeemed; (b) after such Bond has been selected for redemption; or (c) subsequent to any record date for the payment of interest thereon and prior to the interest payment date to which it pertains.

Subject to the provisions of this bond and of the Debt Ordinance relating to the payment of interest hereon, the Sinking Fund Depository may treat the registered owner of this bond as the absolute owner hereof, for all purposes, whether or not this bond shall be overdue, and neither the Borough nor the Sinking Fund Depository shall be affected by any notice to the contrary.

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Borough or its agent for registration of transfer, exchange, or payment, and any Bond 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 inasmuch as the Registered Holder hereof, Cede & Co., has an interest herein.

This bond is hereby declared to be a general obligation of the Borough. The Borough hereby covenants with the registered owner of this bond to include the amount necessary to pay the debt service hereon, in each fiscal year for which such sums are due, in its budget for that fiscal year and to punctually pay or cause to be paid from the 2021 Bonds Sinking Fund (hereinafter defined) or any other of its revenues or funds, the principal of this bond and the interest hereon on the dates, at the place and in the manner stated herein, according to the true intent and meaning hereof. The full faith, credit and taxing power of the Borough is pledged for the payment of the principal of, the interest on and the premium (if any) payable upon the redemption of this bond.

It is hereby certified that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed, precedent to or in the issuance of this bond or in the creation of the debt of which this bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this bond, together with all other indebtedness of the Borough, is within every debt and other limit applicable to the Borough prescribed by the Constitution and the laws of the Commonwealth of Pennsylvania; that the Borough has established with the Sinking Fund Depository a sinking fund, within the meaning of the Debt Act, (the "2021 Bonds Sinking Fund") for this bond and shall deposit therein amounts sufficient to pay the principal of and interest on this bond as the same shall become due and payable; and that for the prompt and full payment of all obligations under this bond, the full faith, credit and taxing power of the Borough are hereby irrevocably pledged.

No recourse shall be had for the payment of the principal of or the interest on this bond, or for any claim based hereon, against any councilmember, officer, agent or employee, past, present or future, of the Borough, as such, either directly or through the Borough, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise; all such liability of such councilmembers, officers, agents or employees is hereby renounced, waived and released as a condition of and as consideration for the issuance and acceptance of this bond.

[TEXT OF OPINION OF JOHN F. SALOPEK, ESQUIRE, DELIVERED IN RESPECT OF \$ _____, BOROUGH OF BADEN, BEAVER COUNTY, PENNSYLVANIA, GENERAL OBLIGATION BONDS, TAXABLE SERIES OF 2021.]

[STATEMENT OF MUNICIPAL BOND INSURANCE]

ASSIGNMENT

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

[Please print or type name and address of Assignee.]

[Please insert Social Security or other identifying number of Assignee.]

the within Bond and all rights irrevocably constitutes and appoints

_____ as his Attorney to transfer this Bond on the books for the registration thereof, with full power of substitution in the premises.

Dated _____

Signature Guaranteed:

(NOTICE: Signature(s) must be guaranteed by a member of an approved Signature Guarantee Medallion Program.)

(Sign here exactly as name(s) is (are) shown on the face of the Bond without any change or alteration whatever.)

(END OF BOND FORMS.)

SECTION 23. Subject to the issuance of the 2021 Bonds or Notes, the Borough hereby irrevocably calls for redemption or payment at maturity on the date or dates stated in the Proposal, all of the 2016 Bonds, at par plus accrued interest. The Borough directs U.S. Bank National Association, as the 2016 Bonds Escrow Agent, Paying Agent or Registrar, to give timely notice of redemption or payment at maturity of the 2016 Bonds, in the manner set forth in the 2016 Ordinance and subject to the receipt of funds derived from the issuance of the 2021 Bonds or Notes.

SECTION 24. If required by the Proposal, one or more Escrow Trust Agreements between the Borough and U.S. Bank National Association, as Escrow Agent, ("Escrow Trust Agreement") are hereby approved and the President is authorized and directed to execute each Escrow Trust Agreement in the name of and on behalf of the Borough, as approved by the Borough's Solicitor. Those officers are authorized and directed to deliver each Escrow Trust Agreement to the Escrow Agent.

SECTION 25. (a) If required by the Proposal, the Council hereby authorizes and directs the President, Secretary, Escrow Agent or Purchaser or their respective representatives, to purchase or subscribe, on behalf of, and as special agent for the Borough, United States Treasury Securities and/or Obligations or other investments in accordance with the Escrow Trust Agreement and the Bond Purchase Contract, provided that, if the Escrow Agent shall perform such function, it shall do so at the direction of the Purchaser.

(b) The President or Secretary is hereby authorized to execute and deliver written directions to one of the above-named persons and/or the Purchaser to purchase or subscribe to said securities and/or obligations of the United States or other investments on behalf of the Borough.

(c) The above-named persons are hereby authorized to deliver a certified copy of this Ordinance upon subscription or purchase of the above-mentioned securities and/or obligations or investments.

SECTION 26. The Council hereby authorizes and directs the purchase of the municipal bond insurance policy, if any, specified in the Purchase Contract, insuring the payment when due of the principal of and interest on the Bonds or Notes as provided therein. The proper officers of the Borough are authorized and directed to take all required, necessary and/or appropriate action with respect to such insurance, including the payment of the premium thereof. The proper officers of the Borough are also authorized and directed to execute any and all documents or agreements with respect to such insurance, as may be required by the insurer.

SECTION 27. The Council, on behalf of the Borough, hereby designates that, as set forth in the Proposal, the tax-exempt 2021 Bonds or Notes shall have the status of a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, and represents that the total amount of tax-exempt obligations issued and to be issued by or on behalf of the Borough and its subordinated entities (if any) during the calendar year in which the 2021 Bonds or Notes are issued does not and is not expected to exceed \$10,000,000.

SECTION 28. a) Reasonable cost estimates have been obtained for the 2021 Project with the assistance of persons qualified by experience.

(b) The useful lives of the 2021 Bonds or Notes being issued to refund the 2016 Bonds will be at least until September 19, 2036, being twenty (20) years from the date of issuance of the 2016 Bonds.

(c) The useful lives of the 2021 Bonds or Notes being issued to fund the 2021 Capital Program will be at least until fifteen (15) years from August 18, 2021, i.e. August 10, 2036.

(d) All of the 2021 Bonds or Notes are hereby allocated to the 2021 Project. Therefore, the maturities of the 2021 Bonds or Notes are in accordance with Sections 8142 and 8243 of the Debt Act.

(e) In addition, in accordance with Section 8142(b) of the Debt Act, the maturities of the Bonds or Notes shall be fixed so that the debt service on outstanding debt of the same classification, and for this purpose lease rental debt shall be considered as the same classification as general obligation debt, will be brought more nearly into an overall level annual debt service plan.

SECTION 29. The 2021 Bonds or Notes shall initially be issued in the form of one fully registered Bond or Note for the principal amount of the Bonds or Notes of each maturity, which Bonds or Notes shall be registered in the name of Cede & Co., as nominee of the Depository Trust Company ("DTC"). The Bonds or Notes issued in the name of Cede & Co. in accordance with the provisions of this Section may be issued in typewritten form satisfactory to DTC. Except as provided below, all of the Bonds or Notes shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC; provided that if DTC shall request that the Bonds or Notes be registered in the name of a different nominee, the Paying Agent shall exchange all or any portion of the Bonds or Notes for an equal aggregate principal amount of Bonds or Notes of like tenor but registered in the name of such nominee or nominees of DTC. No person other than DTC or its nominee shall be entitled to receive from the Borough or the Paying Agent either a Bond or Note or any other evidence of ownership of the Bonds or Notes, 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 or Notes on the registration books maintained by the Registrar, in connection with discontinuing the book entry only system as below or otherwise.

So long as the Bonds or Notes or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal or redemption price, if any, of or interest on such Bonds or Notes shall be made to DTC or its nominee. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the Borough or the Paying Agent with respect to the principal or redemption price of or interest on such Bonds or Notes to the extent of the sum or sums so paid.

The Borough and the Paying Agent shall treat DTC (or its nominee) as the sole and exclusive registered owner of the Bonds or Notes registered in the name of DTC (or its nominee) for the purposes of payment of the principal or redemption price of or interest on such Bonds or Notes, selecting such Bonds or Notes or portions thereof to be redeemed, giving any notice permitted or required to be given to registered owners of such Bonds or Notes, registering the transfer of such Bonds or Notes, obtaining any consent or other action to be taken by registered owners of such Bonds or Notes and for all other purposes whatsoever in connection with such Bonds or Notes and neither the Borough nor the Paying Agent shall have any responsibility or obligation to any participant in DTC, any person claiming a beneficial ownership interest in such Bonds or Notes under or through DTC or any such participant, or any other person which is not shown on the registration books of the Registrar as being a registered owner, with respect to: (1) such Bonds or Notes; (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 such Bonds or Notes; (4) any notice which is permitted or required to be given to registered owners of such Bonds or Notes; (5) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of such Bonds or Notes; or (6) any consent given or other action taken by DTC as the registered owner of such Bonds or Notes.

So long as the Bonds or Notes 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 registered owners of the Bonds or Notes under this Ordinance shall be given to DTC.

In connection with any notice or other communication to be provided to registered owners of the Bonds or Notes pursuant to this Ordinance by the Borough or the Paying Agent with respect to any consent or other action to be taken by registered owners of the Bonds or Notes, 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 the Borough or the Paying Agent may establish a special record date for such consent or other action. The Borough or the Paying Agent shall give DTC notice of such special record date not less than ten (10) calendar days in advance of such special record date to the extent possible.

The book entry only system for registration of the ownership of the Bonds or Notes may be discontinued at any time if (1) after notice to the Borough and the Paying Agent, DTC determines to resign as securities depository for the Bonds or Notes; or (2) after notice to DTC and the Paying Agent, the Borough 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 the Borough or the beneficial owners of the Bonds or Notes. In any such event, unless the Borough appoints a successor securities depository, the Bonds or Notes shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be designated in writing by DTC, but without any liability on the part of the Borough or the Paying Agent for the accuracy of such designation. Whenever DTC requests the Borough and the Paying Agent to do so, the Borough and the Paying Agent shall cooperate with DTC in taking appropriate action after reasonable written notice to arrange for another securities depository to maintain custody of certificates evidencing the Bonds or Notes.

SECTION 30. In accordance with Rule 15c2-12 (the "Rule") promulgated under the Securities Exchange Act of 1934, as amended, the Borough will execute and deliver the Continuing Disclosure Certificate and/or Agreement described in the Preliminary Official Statement (the Undertaking") under which it will agree to provide or cause to be provided (i) certain annual financial information and operating data, and (ii) timely notice of the occurrence of certain material events with respect to the Bonds or Notes. The Purchaser's obligation to purchase the Bonds or Notes is conditioned upon its receipt of the Continuing Disclosure Certificate and/or Agreement, at or prior to the delivery of the Bonds or Notes, in form and substance satisfactory to the Purchaser and the Borough's Solicitor. The Borough hereby covenants with and for the benefit of the holders and beneficial owners (within the meaning of the Rule) from time to time of the Bonds or Notes (which shall include any person or entity that has a pecuniary interest in any of the Bonds or Notes) that it will faithfully perform all actions it undertakes to perform in the Undertaking and to meet all requirements thereof to the best of its ability.

SECTION 31. The President and Secretary are hereby authorized and directed to prepare, verify and file with the Department of Community and Economic Development, in accordance with the Debt Act, a transcript of the proceedings relating to the exclusion of self-liquidating debt to determine net non-electoral debt, pursuant to Section 8026 of the Debt Act, of the principal of any one or more series of taxable or tax-exempt bonds or notes, as identified by the council, and to take other necessary action.

SECTION 32. All Ordinances or parts thereof not in accordance with this Ordinance are hereby repealed insofar as they conflict with this Ordinance.

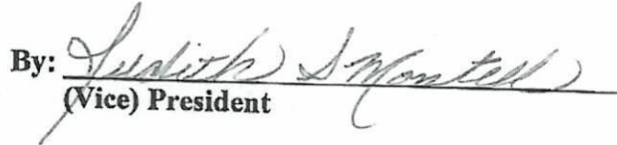
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ORDAINED and ENACTED, by the Council of the Borough of
Baden, this _____ day of _____, 2021.

ATTEST:

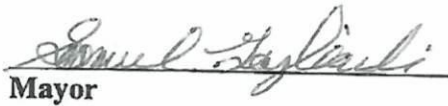
BOROUGH OF BADEN


Secretary

By: 
(Vice) President

SEAL

Approved by the Mayor, this 18th day of August, 2021.


Mayor

SCHEDULE "A"
BOROUGH OF BADEN
Beaver County, Pennsylvania
General Obligation Bonds or Notes, Taxable Series of 2021
General Obligation Bonds or Notes, Tax-Exempt Series of 2021

MAXIMUM PRINCIPAL, INTEREST RATE AND DEBT SERVICE SCHEDULE

(See attached)

**BOND DEBT SERVICE****Baden Borough
Series of 2021 Max Schedule**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2021	325,000	5.000%	62,569.44	387,569.44	387,569.44
06/01/2022			98,125.00	98,125.00	
12/01/2022	340,000	5.000%	98,125.00	438,125.00	536,250.00
06/01/2023			89,625.00	89,625.00	
12/01/2023	345,000	5.000%	89,625.00	434,625.00	524,250.00
06/01/2024			81,000.00	81,000.00	
12/01/2024	350,000	5.000%	81,000.00	431,000.00	512,000.00
06/01/2025			72,250.00	72,250.00	
12/01/2025	350,000	5.000%	72,250.00	422,250.00	494,500.00
06/01/2026			63,500.00	63,500.00	
12/01/2026	355,000	5.000%	63,500.00	418,500.00	482,000.00
06/01/2027			54,625.00	54,625.00	
12/01/2027	355,000	5.000%	54,625.00	409,625.00	464,250.00
06/01/2028			45,750.00	45,750.00	
12/01/2028	355,000	5.000%	45,750.00	400,750.00	446,500.00
06/01/2029			36,875.00	36,875.00	
12/01/2029	360,000	5.000%	36,875.00	396,875.00	433,750.00
06/01/2030			27,875.00	27,875.00	
12/01/2030	365,000	5.000%	27,875.00	392,875.00	420,750.00
06/01/2031			18,750.00	18,750.00	
12/01/2031	365,000	5.000%	18,750.00	383,750.00	402,500.00
06/01/2032			9,625.00	9,625.00	
12/01/2032	385,000	5.000%	9,625.00	394,625.00	404,250.00
	4,250,000		1,258,569.44	5,508,569.44	5,508,569.44