

**MUNICIPALITY OF NORRISTOWN
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE NO. 20-10

AN ORDINANCE

OF THE COUNCIL OF THE MUNICIPALITY OF NORRISTOWN, MONTGOMERY COUNTY, PENNSYLVANIA (THE "MUNICIPALITY"), AUTHORIZING AND DIRECTING THE ISSUANCE OF GENERAL OBLIGATION DEBT, AS PERMITTED BY AND PURSUANT TO THE LOCAL GOVERNMENT UNIT DEBT ACT, 53 PA. C.S. § 8001 ET SEQ., AS AMENDED (THE "DEBT ACT"), COMPRISED OF THE FOLLOWING THREE SERIES: (I) GENERAL OBLIGATION NOTES, SERIES A OF 2020 (TAX-EXEMPT), IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$13,500,000 (THE "SERIES A NOTES"), WITH THE PROCEEDS THEREOF TO BE APPLIED FOR AND TOWARD (A) FINANCING THE COSTS OF CERTAIN CAPITAL PROJECTS OF THE MUNICIPALITY (COLLECTIVELY, THE "CAPITAL PROJECT"), AND (B) PAYING THE COSTS AND EXPENSES ASSOCIATED WITH THE ISSUANCE OF THE SERIES A NOTES; (II) GENERAL OBLIGATION BONDS, SERIES B OF 2020 (TAX-EXEMPT), IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$8,500,000 (THE "SERIES B BONDS"), WITH THE PROCEEDS THEREOF TO BE APPLIED FOR AND TOWARD (A) THE CURRENT REFUNDING OF ALL OR A PORTION OF THE OUTSTANDING PRINCIPAL AMOUNT OF THE MUNICIPALITY'S (1) GENERAL OBLIGATION NOTE, SERIES A OF 2017 (TAX-EXEMPT) (THE "2017A NOTE" AND SAID REFUNDED PORTION HEREINAFTER THE "REFUNDED 2017A NOTE," AND AS A PROJECT THE "2017A REFUNDING PROJECT"), AND (2) GENERAL OBLIGATION NOTE, SERIES OF 2006 (TAX-EXEMPT) (THE "2006 NOTE" AND SAID REFUNDED PORTION HEREINAFTER THE "REFUNDED 2006 NOTE," AND TOGETHER WITH THE REFUNDED 2017A NOTE, COLLECTIVELY, THE "REFUNDED NOTES", AND AS A PROJECT THE "2006 REFUNDING PROJECT", AND TOGETHER WITH THE 2017A REFUNDING PROJECT, COLLECTIVELY, THE "SERIES B REFUNDING PROJECT"), AND (B) PAYING THE COSTS AND EXPENSES ASSOCIATED WITH THE ISSUANCE OF THE SERIES B BONDS; AND (III) GENERAL OBLIGATION NOTES, SERIES C OF 2020 (FEDERALLY TAXABLE), IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$2,200,000 (THE "SERIES C NOTES," AND TOGETHER WITH THE SERIES A NOTES AND THE SERIES B BONDS, THE "OBLIGATIONS"), WITH THE PROCEEDS THEREOF TO BE APPLIED FOR AND TOWARD (A) THE REFUNDING OF ALL OR A PORTION OF THE OUTSTANDING PRINCIPAL AMOUNT OF THE MUNICIPALITY'S GENERAL OBLIGATION BONDS, SERIES AAA OF 2017 (FEDERALLY TAXABLE) (THE "2017AAA BONDS" AND SAID REFUNDED PORTION HEREINAFTER THE "REFUNDED BONDS," AND TOGETHER WITH THE REFUNDED NOTES, COLLECTIVELY, THE "REFUNDED OBLIGATIONS", AND AS A PROJECT THE "2017AAA REFUNDING PROJECT"), AND (B) REIMBURSEMENT FOR LAND PURCHASED FOR ECONOMIC DEVELOPMENT (THE "LAND PURCHASE PROJECT", AND TOGETHER WITH THE 2017AAA REFUNDING PROJECT, COLLECTIVELY, THE "SERIES C PROJECT"), AND (B) PAYING THE COSTS AND EXPENSES ASSOCIATED WITH THE ISSUANCE OF THE SERIES C NOTES, ALL THE FOREGOING PROJECTS COLLECTIVELY BEING REFERRED TO AS THE "2020 PROJECT"; DETERMINING THAT THE OBLIGATIONS SHALL BE SOLD AT A PRIVATE SALE BY NEGOTIATION; ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE OBLIGATIONS, AND AWARDED THE OBLIGATIONS AND SETTING FORTH RELATED PROVISIONS; PROVIDING FOR MAXIMUM PRINCIPAL AMORTIZATION, MATURITIES AND INTEREST RATES FOR EACH SERIES OF THE OBLIGATIONS; AUTHORIZING ACCEPTANCE OF AN ADDENDUM TO THE BOND PURCHASE PROPOSAL COMPLETING THE FINAL TERMS FOR THE PURCHASE OF THE OBLIGATIONS AT OR WITHIN LIMITS HEREBY ESTABLISHED; APPOINTING A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITORY; PROVIDING FOR THE TERMS OF THE OBLIGATIONS INCLUDING DATED DATE,

MATURITY DATES AND DENOMINATIONS, AND INTEREST PAYMENT DATES; PROVIDING FOR THE REGISTRATION AND TRANSFER OF THE OBLIGATIONS; SETTING FORTH REDEMPTION PROVISIONS AND PROCEDURES; PROVIDING THAT THE SERIES A NOTES AND THE SERIES B BONDS, WHEN ISSUED, SHALL BE TAX-EXEMPT GENERAL OBLIGATIONS OF THE MUNICIPALITY; AUTHORIZING THE EXECUTION, AUTHENTICATION AND DELIVERY OF THE OBLIGATIONS; AUTHORIZING ISSUANCE OF THE OBLIGATIONS IN BOOK-ENTRY ONLY FORM; COVENANTING TO PAY DEBT SERVICE AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER FOR THE PAYMENT OF THE OBLIGATIONS; CREATING SINKING FUNDS IN CONNECTION WITH THE ISSUANCE OF EACH OF THE OBLIGATIONS AS REQUIRED BY THE DEBT ACT; APPROPRIATING PROCEEDS OF THE OBLIGATIONS; SPECIFYING THE USEFUL LIVES OF PRIOR CAPITAL PROJECTS REFUNDED BY THE SERIES B BONDS AND SERIES C NOTES AND SPECIFYING THE ESTIMATED USEFUL LIVES OF THE CAPITAL PROJECT AND THE LAND PURCHASE PROJECT; SETTING FORTH CERTAIN COVENANTS RELATING TO THE NON-ARBITRAGE STATUS OF THE SERIES A NOTES AND THE SERIES B BONDS; RATIFYING PRIOR ADVERTISEMENT AND DIRECTING FURTHER ADVERTISEMENT; AUTHORIZING AND DIRECTING THE PREPARATION AND EXECUTION OF A TRANSCRIPT OF PROCEEDINGS, INCLUDING A DEBT STATEMENT AND BORROWING BASE CERTIFICATE, AND THE FILING THEREOF, WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AUTHORIZING AND DIRECTING OFFICERS AND OFFICIALS OF THE MUNICIPALITY TO EXECUTE AND DELIVER DOCUMENTS AND TO TAKE ACTION AS MAY BE NECESSARY RELATING TO THE ISSUANCE AND DELIVERY OF THE OBLIGATIONS; RATIFYING THE PRELIMINARY OFFICIAL STATEMENT AND THE DISTRIBUTION THEREOF AND AUTHORIZING THE APPROVAL AND DISTRIBUTION OF A FINAL OFFICIAL STATEMENT AND THE USE THEREOF IN CONNECTION WITH THE SALE OF THE OBLIGATIONS; CREATING A CLEARING ACCOUNT AND PROJECT ACCOUNTS; SETTING FORTH CERTAIN COVENANTS RELATING TO PROVISIONS FOR THE PREPAYMENT AND REDEMPTION OF THE REFUNDED OBLIGATIONS; AUTHORIZING THE TRANSFER OF PROCEEDS OF THE SERIES B BONDS FOR THE PREPAYMENT OF THE REFUNDED NOTES, WHICH WILL BE SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ACCRUED ON THE REFUNDED NOTES UPON PREPAYMENT PRIOR TO MATURITY; AUTHORIZING PREPAYMENT OR REDEMPTION NOTICES TO BE DELIVERED TO THE RESPECTIVE PAYING AGENTS FOR EACH OF THE REFUNDED OBLIGATIONS, IF NECESSARY AND APPLICABLE; AUTHORIZING AND DIRECTING THE IRREVOCABLE DEPOSIT OF A SPECIFIED PORTION OF THE PROCEEDS OF THE SERIES C NOTES INTO AN ESCROW FUND FOR THE REFUNDED BONDS, WHICH AMOUNT, WITH OR WITHOUT REGARD TO INVESTMENT EARNINGS OR MATURITY VALUES, WILL BE SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ACCRUED ON REFUNDED BONDS UPON REDEMPTION PRIOR TO OR AT MATURITY; APPOINTING AN ESCROW AGENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT; AUTHORIZING THE PURCHASE OF A POLICY OF MUNICIPAL BOND INSURANCE, IF DETERMINED AN ECONOMIC BENEFIT TO THE MUNICIPALITY; AUTHORIZING THE PAYMENT OF EXPENSES; PROVIDING GUIDELINES FOR PERMITTED INVESTMENTS; PROVIDING FOR THE AUTHORIZATION OF OFFICERS; APPROVING THE FORM FOR EACH SERIES OF THE OBLIGATIONS; RATIFYING AND CONFIRMING AUTHORIZATION TO THE MUNICIPALITY SOLICITOR, BOND COUNSEL AND THE FINANCIAL ADVISOR; COVENANTING TO PROVIDE CONTINUING DISCLOSURE; PROVIDING FOR SEVERABILITY OF PROVISIONS AND REPEALING INCONSISTENT ORDINANCES.”

ENACTED MAY 5, 2020

WHEREAS, the Municipality of Norristown, Montgomery County, Pennsylvania (the “Municipality”), is a municipality existing under the laws of the Commonwealth of Pennsylvania (the “Commonwealth”), particularly the Home Rule Charter and Optional Plans Law, Act of April 13, 1972, P.L. 184, No. 62, as amended, and the Home Rule Charter of the Municipality of Norristown, effective the

first day of July, 2004, and is a Local Government Unit, as defined in the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented (the “Debt Act”); and

WHEREAS, the Council of the Municipality heretofore incurred debt, evidenced by the Municipality’s General Obligation Note, Series of 2006, in the initial principal amount of \$4,981,753 (the “2006 Note”), which was issued to provide funds to be applied, *inter alia*, for and toward (i) the acquisition and capital maintenance of municipal structures, including (without limitation) street lights, comprehensive bridge repairs, capital renovations to municipal facilities, acquisition of public-works vehicles, and municipal park improvements (the “2006 Capital Project”), and (ii) payment of the costs of issuance of the 2006 Note; and

WHEREAS, on May 23, 2016, the Council of the Municipality modified the 2006 Note in order to adjust the interest rate for the remaining term thereof, a portion of which 2006 Note presently remains outstanding; and

WHEREAS, the Municipality hereby desires to amend and restate the estimated useful life of the 2006 Capital Project to be at least thirty (30) years; and

WHEREAS, VIST Bank, as successor in interest to Leesport Bank, is the holder of the 2006 Note (the “2006 Noteholder”); and

WHEREAS, the Council of the Municipality heretofore incurred debt, evidenced by the Municipality’s General Obligation Note, Series A of 2017 (Tax-Exempt), in the initial principal amount of \$8,467,000 (the “2017A Note”), which was issued to provide funds to be applied, *inter alia*, for and toward (i) the acquisition, construction, renovation, improvement, replacement and repairs of certain capital assets included in the capital improvement plan (the “2017A Capital Project”), and (ii) payment of the costs of issuance of the 2017A Note; a portion of which 2017A Note remains outstanding; and

WHEREAS, the Municipality hereby desires to amend and restate the estimated useful life of the 2017A Capital Project to be at least thirty (30) years; and

WHEREAS, QNB Bank is the holder of the 2017A Note (the “2017A Noteholder”); and

WHEREAS, the Council of the Municipality heretofore incurred debt, evidenced by the Municipality’s General Obligation Bonds, Series AAA of 2017 (Federally Taxable), in the initial aggregate principal amount of \$8,130,000 (the “2017AAA Bonds”), which were issued to provide funds to be applied, *inter alia*, for and toward (i) the current refunding of the Municipality’s General Obligation Bonds, Series of 2004 (Federally Taxable) (the “2004 Bonds”), (ii) funding the Municipality’s unfunded actuarial accrued liability in its employee pension funds (the “2017AAA Pension Project”), and (iii) payment of the costs of issuance of the 2017AAA Bonds; and

WHEREAS, the 2004 Bonds were issued to provide funds to be applied, *inter alia*, for and toward (i) funding the Municipality’s unfunded actuarial accrued liability in its employee pension funds (the “2004 Pension Project” and together with the 2017AAA Pension Project, collectively, the “Pension Projects”), and (ii) payment of the costs of issuance of the 2004 Bonds; and

WHEREAS, the Municipality hereby desires to amend and restate the estimated useful life of the Pension Projects to be not less than forty (40) years; and

WHEREAS, The Bank of New York Mellon Trust Company, N.A., having corporate trust offices in Dallas, Texas and Pittsburgh Pennsylvania, serves as paying agent for the 2017AAA Bonds (the “2017AAA Bonds Paying Agent”); and

WHEREAS, the Municipality desires to undertake a project, as such term is defined in the Debt Act, consisting of the refunding of all or a portion of (i) on a current refunding basis, the Municipality’s outstanding 2006 Note (hereinafter the “Refunded 2006 Note” and as a project, the “2006 Refunding Project”), (ii) on a current refunding basis, the Municipality’s outstanding 2017A Note (hereinafter the “Refunded 2017A Note” and together with the Refunded 2006 Note, collectively, the “Refunded Notes” and as a project, the “2017A Refunding Project”), and (iii) 2017AAA Bonds (hereinafter the “Refunded Bonds” and as a project, the “2017AAA Refunding Project”), all in order to substitute bonds for notes or notes for bonds pursuant to Section 8242(b)(5) of the Debt Act; and

WHEREAS, the Council of the Municipality has determined to undertake certain capital projects, as such term is defined in the Debt Act, consisting of the funding of all or a portion of (i) the planning, design, purchase, acquisition, and construction, as applicable, of land, building and facilities, and capital improvements and renovations to such buildings and facilities for governmental use, as necessary, and related appurtenances, and suitable fixtures, furnishings and equipment therefor, to the extent of available funds (the “Capital Project”), and (ii) reimbursement to the Municipality for land purchased for economic development (the “Land Purchase Project”); and

WHEREAS, the Municipality intends to issue three series of nonelectoral general obligation bonds or notes in the maximum aggregate principal amount of \$24,200,000, in accordance with the terms of this Ordinance and the Debt Act, in order to fund the costs of the 2020 Project, as follows: (i) General Obligation Notes, Series A of 2020 (Tax-Exempt), in the maximum aggregate principal amount of \$13,500,000 (the “Series A Notes”), for the purpose of funding the Capital Project and including as part thereof, the payment of the cost of issuing and insuring, if applicable, the Series A Notes (collectively, the Series A Project”); (ii) General Obligation Bonds, Series B of 2020 (Tax-Exempt), in the maximum aggregate principal amount of \$8,500,000 (the “Series B Bonds”), for the purpose of funding the 2006 Refunding Project and the 2017A Refunding Project, and including as a part thereof, the payment of the costs of issuing and insuring, if applicable, the Series B Bonds (collectively, the “Series B Project”); and (iii) General Obligation Notes, Series C of 2020 (Federally Taxable), in the maximum aggregate principal amount of \$2,200,000 (the “Series C Notes” and together with the Series A Notes and the Series B Bonds, collectively, the “Obligations”), for the purpose of funding the 2017AAA Refunding Project and the Land Purchase Project, and including as a part thereof, the payment of the costs of issuing and insuring, if applicable, the Series C Notes (collectively, the “Series C Project”); and

WHEREAS the Series A Project, the Series B Project and the Series C Project are herein referred to, collectively, as the “2020 Project”; and

WHEREAS, the Municipality has received proposals for the purchase of the Obligations from firms invited by the Municipality to submit such proposals; and

WHEREAS, Robert W. Baird & Co., Incorporated (the “Purchaser”) has presented to the Municipality a written contact as its proposal for the purchase of the Obligations, on behalf of itself and as representative of Samuel A. Ramirez & Co., Inc. (the “Bond Purchase Proposal”); and

WHEREAS, the Municipality has heretofore authorized Eckert Seamans Cherin & Mellott, LLC, of Harrisburg, Pennsylvania, to act as its bond counsel with respect to legal matters associated with the financing of the 2020 Project; and

WHEREAS, the Municipality desires to approve and authorize the 2020 Project, issuance of the Obligations in three separate series, acceptance of the Bond Purchase Proposal, the form of bond or note for each series of the Obligations, the appointment of a paying agent for the Obligations, to award the Obligations to the Purchaser and to incur tax-exempt, nonelectoral general obligation debt, in the maximum aggregate principal amount of \$24,200,000 pursuant to this Ordinance and the provisions of the Debt Act, to affirm and reaffirm the useful lives of the capital projects financed and refinanced with proceeds of the Obligations, and to authorize such further provisions as are required by law for the issuance of general obligation debt and further actions by its officers and professional advisors consistent with this Ordinance, the Debt Act, and all other applicable law.

NOW, THEREFORE, BE AND IT HEREBY IS ORDAINED by the Council of the Municipality of Norristown that:

SECTION 1. The 2020 Project.

The Municipality hereby authorizes and approves the undertaking as a project, as defined in and established by the Debt Act, the 2020 Project. The 2020 Project shall be combined, as described in the recitals hereof and as permitted by Section 8101 of the Debt Act, for purposes of financing. The description of the 2020 Project, inclusive of the Series A Project, the Series B Project and the Series C Project, contained in the recitals to this Ordinance hereby are incorporated into this Section by reference as if set out at length. The foregoing recitals and all terms defined therein are incorporated herein, and such defined terms may hereafter be used as if set out at length.

SECTION 2. Incurrence of Indebtedness and Purpose.

For the purpose of providing funds for and toward the payment of costs, as such term is used in the Debt Act, of the 2020 Project, and the payment of the costs and expenses related to the issuance of the series of debt obligations, the incurring of nonelectoral debt by the Municipality in the principal amount of \$24,200,000 hereby is authorized. Such debt shall be evidenced by the issue of said debt obligations, consisting of three series of nonelectoral, general obligation bonds or notes of the Municipality. The first series shall be designated as the “Municipality of Norristown, Montgomery County, General Obligation Notes, Series A of 2020 (Tax-Exempt),” or such similar designation as is appropriate, in the maximum aggregate principal amount of \$13,500,000. The debt evidenced by the Series A Notes is being incurred for the purpose of financing the Series A Project.

The second series shall be designated as the “Municipality of Norristown, Montgomery County, General Obligation Bonds, Series B of 2020 (Tax-Exempt),” or such similar designation as is appropriate, in the maximum aggregate principal amount of \$8,500,00. The debt evidenced by the Series B Bonds is being incurred for the purpose of financing the Series B Project.

The third series shall be designated as the “Municipality of Norristown, Montgomery County, General Obligation Notes, Series C of 2020 (Federally Taxable),” or such similar designation as is appropriate, in the maximum aggregate principal amount of \$2,200,000. The debt evidenced by the Series C Notes is being incurred for the purpose of financing the Series C Project.

SECTION 3. Approval of Private Sale By Negotiation.

After considering the advantages and disadvantages of the manners of sale of the Obligations permitted by the Debt Act and of current market conditions, the Council of the Municipality hereby determines that a private sale by negotiation is in the best financial interest of the Municipality.

SECTION 4. Acceptance of Bond Purchase Proposal; Addendum.

(a) The Purchaser has submitted the Bond Purchase Proposal to the Municipality for the purchase of all, but not less than all, of the Obligations, maturing and bearing interest rates, terms and other provisions not inconsistent with this Ordinance. The Bond Purchase Proposal is hereby approved and accepted and, as approved and accepted is referred to, hereinafter, as the Bond Purchase Agreement. Proper officers are authorized to execute, attest and seal the Bond Purchase Agreement and to deliver an executed counterpart thereof to the Purchaser. It is hereby authorized and directed that the Purchaser shall, subsequent to the enactment of this Ordinance, submit to the Municipality an addendum to the Bond Purchase Agreement that shall set forth the final terms for the sale and purchase of the Obligations, including, but not limited to the underwriting discount, and original issue discount or premium, if any (the "Addendum").

(b) The Addendum to the Bond Purchase Agreement shall be submitted to the President, or if he or she is unavailable to the Vice President, of the Council of the Municipality for approval and acceptance, which Addendum shall be consistent with the provisions set forth in the Bond Purchase Agreement and in this Ordinance, and shall contain (i) such insertions as to interest rates, principal amounts, maturity dates and redemption provisions and related matters, and (ii) such deletions and amendments as the President or Vice President, upon the advice of the Director of Finance, the Municipality solicitor and bond counsel shall approve. The execution and delivery of the Addendum by the President or Vice President of Council and an attesting officer of Council shall constitute conclusive evidence of such approval.

(c) In order to be accepted by the President, or if the President is unavailable, the Vice President, of Council, the Addendum must meet the following requirements:

(i) The maximum aggregate principal amount of the Obligations shall not exceed \$24,200,000, with the maximum aggregate principal amount of the Series A Notes not to exceed \$13,500,000, the maximum aggregate principal amount of the Series B Bonds not to exceed \$8,500,000, and the maximum aggregate principal amount of the Series C Notes not to exceed \$2,200,000;

(ii) The principal amount scheduled to mature in each year for each series of the Obligations shall not exceed the principal amounts shown on Schedule A, attached hereto and incorporated herein, with respect to the Series A Notes, Schedule B, attached hereto and incorporated herein, with respect to the Series Bonds, and Schedule C, attached hereto and incorporated herein, with respect to the Series C Notes, and further, the rate of interest, per annum, for each maturity of the Obligations shall not exceed the rates set forth in Schedule A, Schedule B and Schedule C, respectively;

(iii) The aggregate purchase price for each series of the Obligations, or in the aggregate, to be purchased pursuant to such Obligation Purchase Agreement, shall not be less than 95.0% nor more than 125.0% of the total of (A) the aggregate principal amount thereof, (B) reduced by underwriter's

discount, (C) reduced or increased by any net original issue discount or premium, if any, and (D) plus accrued interest, if any;

(iv) The underwriting discount shall not exceed \$3.25 per \$1,000 of the principal amount of the Obligations;

(v) The Addendum must specifically identify the portions of the outstanding 2006 Note, outstanding 2017A Note and outstanding 2017AAA Bonds that will thereby constitute the “Refunded 2006 Note”, the “Refunded 2017A Note” and the “Refunded 2017AAA Bonds”, respectively;

(vi) The Addendum must identify the Bond Insurer (hereinafter defined), if any; and

(vii) The Obligations contemplated by the Addendum must conform to the requirements of the Debt Act.

(d) The execution and delivery of the Bond Purchase Agreement, concurrent with the enactment of this Ordinance, and of the Addendum, subsequent to the enactment of this Ordinance, by the proper officers of the Municipality, as specified where appropriate, shall constitute acceptance hereunder of the Bond Purchase Agreement and of the Addendum. Upon acceptance of the Bond Purchase Agreement by enactment of this Ordinance and acceptance of the Addendum, the Obligations shall be and are hereby awarded and sold unto the Purchaser in accordance with the requirements set forth in the preceding provisions of this Section 4, in accordance with all the terms of the Bond Purchase Agreement and of the Addendum. Proper officers are authorized and directed to accept the Addendum by signing it, to return it to the Purchaser and to file a copy of the same with the records of the Municipality. Upon acceptance and execution of the Addendum, the Bond Purchase Agreement and the Addendum shall constitute one agreement by and between the Municipality and the Purchaser and shall be construed in all respects as one agreement, which hereinafter is referred to, for convenience as the Bond Purchase Agreement, which Bond Purchase Agreement, together with this Ordinance, shall constitute a contract between the Municipality and the Purchaser.

(e) A Proper Officer of the Municipality is hereby authorized and directed to deliver the Obligations to the Purchaser and receive payment therefor on behalf of the Municipality after sale of the same in the manner required by law and the terms of this Ordinance. Proper officers of the Municipality are hereby authorized and directed to transfer and invest funds, to pay all necessary, usual and proper costs of issuance of the Obligations, to execute and deliver such documents and to do all such other acts, upon advice of the Municipality solicitor and bond counsel, as are reasonably necessary to ensure a satisfactory settlement of the sale of the Obligations, and a proper application of the proceeds thereof to the 2020 Project.

SECTION 5. Maturities and Interest Rates.

(a) The rate of interest or yield, as applicable, per annum for each maturity of the Series A Notes shall not exceed the rates set forth in Schedule A attached hereto and incorporated herein; provided, however, that in the case of term notes, the applicable rate shall be the rate set forth in Schedule A for the relevant maturity date of such term notes. The principal amount of Series A Notes scheduled to mature or to be subject to mandatory redemption, as the case may be, annually shall not exceed the principal sum in each year set forth in Schedule A attached hereto.

(b) The rate of interest or yield, as applicable, per annum for each maturity of the Series B Bonds shall not exceed the rates set forth in Schedule B attached hereto and incorporated herein; provided, however, that in the case of term bonds, the applicable rate shall be the rate set forth in Schedule B for the

relevant maturity date of such term bonds. The principal amount of the Series B Bonds scheduled to mature or to be subject to mandatory redemption, as the case may be, annually shall not exceed the principal sum in each year set forth in Schedule B attached hereto.

(c) The rate of interest or yield, as applicable, per annum for each maturity of the Series C Notes shall not exceed the rates set forth in Schedule C attached hereto and incorporated herein; provided, however, that in the case of term notes, the applicable rate shall be the rate set forth in Schedule C for the relevant maturity date of such term notes. The principal amount of the Series C Notes scheduled to mature or to be subject to mandatory redemption, as the case may be, annually shall not exceed the principal sum in each year set forth in Schedule C attached hereto.

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

Manufacturers and Traders Trust Company hereby is appointed Paying Agent (“Paying Agent”) and Registrar (“Registrar”) for the Obligations and Sinking Fund Depository (“Sinking Fund Depository”) for the Sinking Funds hereinafter defined and created hereby. The proper officers of the Municipality hereby are authorized and directed to contract with Manufacturers and Traders Trust Company, having corporate trust offices in Buffalo, New York, and Harrisburg, Pennsylvania, 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 Municipality may, by resolution, 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. Forms of Bond, Interest Payment Dates and Record Dates.

The Obligations shall be issued in fully registered form without coupons and shall be numbered in such manner as may be satisfactory to the Municipality and the Paying Agent. Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, “CUSIP” numbers may be printed on the Obligations. Each Obligation shall be dated as of the date of issue and delivery thereof, and shall be issued in denominations of \$5,000 or any whole multiple thereof.

The Obligations shall bear interest payable initially on November 1, 2020 and on each May 1 and November 1 (each, an “Interest Payment Date”) thereafter, from the Interest Payment Date, as the case may be, next preceding the date of registration and authentication of each Obligation, unless: (a) such Obligation is registered and authenticated as of an Interest Payment Date, in which event such Obligation shall bear interest from such Interest Payment Date; or (b) such Obligation is registered and authenticated after a Record Date (hereinafter defined) and before the succeeding Interest Payment Date, in which event such Obligation shall bear interest from such succeeding Interest Payment Date; or (c) such Obligation is registered and authenticated prior to the Record Date (hereinafter defined) preceding November 1, 2020, in which event such Obligation shall bear interest from the date of delivery; or (d) as shown by the records of the Paying Agent, interest on such Obligation shall be in default, in which event such Obligation shall bear interest from the date on which interest was last paid on such Obligation until the principal sum thereof is paid.

If the date for payment of the principal of, premium, if any, or interest on any Obligation 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 of such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized or required to close, and payment on such subsequent day shall have the same force and effect as if made on the nominal date established for such payment.

The term “Record Date” with respect to any Interest Payment Date shall mean the fifteenth (15th) day of the month (whether or not a day on which the Paying Agent is open for business) next preceding such Interest Payment Date. The person in whose name any Obligation is registered at the close of business

on any 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 Obligation upon any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date, except if and to the extent that the Municipality 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 outstanding Obligations are registered at the close of business on a special record date established by the Paying Agent, notice of which shall have been mailed to all registered owners of Obligations not less than fifteen (15) days prior to such date. Such notice shall be mailed to the persons in whose names the Obligations are registered at the close of business of the fifth (5th) day preceding the date of mailing.

SECTION 8. Bond or Note Register, Registrations and Transfer.

The Municipality shall cause to be kept at the designated corporate trust office of the Paying Agent a register (“Bond or Note Register”) in which, subject to such reasonable regulations as it may prescribe, the Municipality shall provide for the registration of Obligations and the registration of transfers and exchanges of Obligations. No transfer or exchange of any Obligation shall be valid unless made at such office and registered in the Bond or Note Register.

Upon surrender of any Obligation at the designated corporate trust office of the Paying Agent for registration of transfer, the Municipality shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee or transferees, a new Obligation or Obligations of any authorized denomination, of the same interest rate and maturity and series, and in the same aggregate principal amount as the Obligation so surrendered.

Any Obligation shall be exchangeable for other Obligations of the same maturity and interest rate and series, in any authorized denomination, in an aggregate principal amount equal to the principal amount of the Obligation or Obligations presented for exchange. Upon surrender of any Obligation for exchange at the designated corporate trust office of the Paying Agent, the Municipality shall execute and the Paying Agent shall authenticate and deliver in exchange therefor the Obligation or Obligations which the owner making the exchange shall be entitled to receive.

All Obligations issued upon any registration of transfer or exchange shall be valid obligations of the Municipality, evidencing the same debt and entitled to the same benefits under this Ordinance as the Obligations surrendered for such registration of transfer or exchange.

Every Obligation 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 Municipality and the Registrar, duly executed by the registered owner thereof or his duly authorized agent or legal representative.

No service charge shall be made for any transfer or exchange of any Obligation, but the Municipality 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 Obligations.

The Municipality shall not be required to: (a) issue, or register the transfer or exchange of, any Obligation during a period of fifteen (15) business days before any date of selection of Obligations to be redeemed and ending on the close of business on such date on which the applicable notice of redemption is given; or (b) register the transfer or exchange of any Obligation after it has been selected for redemption, in whole or in part, until after the date fixed for redemption.

SECTION 9. Execution and Authentication.

The Obligations shall be executed on behalf of the Municipality by the President or the Vice President of Council, and shall have a manual or facsimile of the corporate seal of the Municipality affixed thereto (or a facsimile thereof), duly attested by the Municipal Administrator of the Municipality, and said officers hereby are authorized and directed to execute the Obligations. The Obligations shall be authenticated by the manual execution of the Certificate of Authentication by a duly authorized officer of the Paying Agent. No Obligation shall be valid until such Certificate of Authentication shall have been duly executed by the Paying Agent and such authentication shall be conclusive and the only proof that any Obligation 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 an Obligation including the signature of an officer of the Paying Agent) is manual, all other signatures may be by facsimile. The President or Vice President of Council, the Municipal Administrator or the Director of Finance or any such proper officers of the Municipality hereby are authorized and directed to deliver, or cause the delivery of, the Obligations to the Purchaser and receive payment therefor on behalf of the Municipality after sale of the same in the manner required by law and this Ordinance.

SECTION 10. Book-Entry Only Registration.

The Municipality authorizes and approves the sale and purchase of the Obligations as book-entry only obligations with The Depository Trust Company, New York, New York (“DTC”). If required, proper officers of the Municipality are authorized and directed to execute DTC’s Letter of Representations, in substantially the form submitted to the Municipality for execution, and such other documents as shall be necessary to complete the sale of the Obligations as book-entry obligations.

The Obligations, upon original issuance, are expected to be issued in the form of a single, fully registered bond or note for each maturity, in denominations equal to the principal amount of Obligations of such series maturing on each such date, and shall be delivered, physically or constructively, to DTC or its nominee, CEDE & CO, pursuant to arrangements between DTC and the Paying Agent. Each such Obligation shall be registered on the registration books kept by the Paying Agent, as registrar and transfer agent, in the name of DTC or, at DTC’s option, in the name of CEDE & CO, as DTC’s nominee, and no beneficial owners thereof will receive certificates representing their respective interest in such Obligations. Purchaser shall initially provide to the Paying Agent a list of the registered owners (beneficial owners under the book-entry only system) which list shall be continuously updated so long as the Obligations are issued under the book-entry only system. For purposes of this Ordinance, so long as the Obligations are issued under the book-entry only system, the registered owners shall mean the beneficial owners under the book-entry only system, and, where necessary, DTC or its nominee, CEDE & CO.

So long as any of the Obligations are registered in the name of DTC or its nominee, CEDE & CO., to the extent available, the Paying Agent shall transfer, on each Interest Payment Date, the amount of interest and principal, as applicable, due on each such date to DTC, at the addresses set forth in the Letter of Representation, which amounts so transferred, shall be, on the interest and principal payment date, at the principal office of DTC. All payments made by the Paying Agent to DTC or its nominee shall fully satisfy the Municipality’s obligations to pay principal and interest, or maturity amount, as applicable, and any applicable redemption premium, on such Obligations to the extent of such payments, and no beneficial owner of any interest in any Obligation registered in the name of DTC or its nominee shall have any recourse against the Municipality hereunder for any failure by DTC or any participant therein to remit such payments to the beneficial owners of such Obligations.

So long as DTC or its nominee, CEDE & CO., is the registered owners of the Obligations, if all or less than all of the Obligations of a particular series and maturity are to be redeemed, the Paying Agent shall notify DTC within the time periods described in the Letter of Representation. If less than all of the Obligations of a particular series and maturity are to be redeemed, the Obligations to be redeemed shall be selected by the Municipality in any order the Municipality may decide and within a maturity by lot selected

by DTC. In the event that DTC or its nominee, CEDE & CO., is not the registered owner of the Obligations, then the selection by lot within a maturity of the Obligations to be redeemed shall be made by the Paying Agent. Any such redemption shall be upon payment of the principal amount to be redeemed, together with accrued interest to the date fixed for redemption.

The Municipality or DTC may elect to terminate the book-entry only system with respect to the Obligations by giving notice to the Paying Agent in accordance with DTC's Letter of Representations. Upon termination of the book-entry only system, bond and note certificates are required to be printed and delivered in accordance with this Ordinance.

Upon termination of the book-entry only system, this Section, as applicable to the book-entry only system, shall become null and void. All other Sections of this Ordinance shall remain in full force and effect with regard to the Obligations.

SECTION 11. General Obligation Covenants.

The Obligations hereby are declared to be general obligations of the Municipality. The Municipality hereby covenants with the registered owners from time to time of the Obligations 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 Obligations prior to maturity, on the Obligations 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 Obligations and the interest thereon on the dates, at the places and in the manner stated therein, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the Municipality does hereby pledge its full faith, credit and taxing power. The amount of the debt service, which the Municipality hereby covenants to pay on the Obligations in each year, is shown on Schedule A, Schedule B and Schedule C, respectively, which are attached hereto and incorporated herein by reference as if set out here at length. As provided in the Debt Act, the foregoing covenants are specifically enforceable.

SECTION 12. Redemption.

(a) Optional Redemption. The Obligations shall be subject to redemption prior to their stated maturity at the option of the Municipality, as a whole or in part from time to time, in any order of maturity (and in any authorized principal amount within a maturity) and by lot within a maturity, on the dates and at the redemption prices as provided in the Addendum.

(b) Mandatory Redemption. The Obligations are subject to mandatory redemption on the dates (each, a "Mandatory Redemption Date") and in the amounts as provided in the Addendum. The Municipality covenants to cause the Obligations to be redeemed on the Mandatory Redemption Dates in the amounts as provided in the Addendum, subject to its right which is reserved in Section 13 hereof, to satisfy that obligation by delivering to the Paying Agent and the Sinking Fund Depository no later than forty-five (45) days before any Mandatory Redemption Date, for cancellation, Obligations of the maturity which are subject to mandatory redemption on that Mandatory Redemption Date.

(c) Notice. Notice of any redemption shall be given by mailing a notice of redemption by first class mail, postage prepaid, not more than forty-five (45) days nor less than twenty (20) days prior to the redemption date to the registered owners of the Obligations to be redeemed, as applicable, at the addresses which appear in the Bond or Note Register, provided, however, that neither failure to mail such notice nor any defect in the notice so mailed or in the mailing thereof with respect to any one Obligation, as applicable, shall not affect the validity of the proceedings for the redemption of any other Obligation. If the Municipality shall have duly given notice of redemption and shall have deposited with the Paying Agent

funds for the payment of the redemption price of the Obligations, as applicable, so called for redemption, with accrued interest thereon to the date fixed for redemption, interest on such Obligations shall cease to accrue after such redemption date.

(d) CUSIP Numbers. Notices of redemption shall contain the applicable CUSIP numbers pertaining to the Obligations called for redemption (if then generally in use), and shall also contain the serial identification numbers printed on the Obligations called for redemption, as applicable. The Municipality, however, makes no representation as to the accuracy of such CUSIP numbers either printed on the Obligations or as contained in any redemption notice.

(e) Selection by Lot. Subject to the provisions of Section 10 with respect to Obligations being registered in the book-entry only format, if less than all of the Obligations, as applicable, maturing on any one date are to be redeemed at any time, the Paying Agent shall select by lot the specific Obligations, as applicable, to be redeemed at such time.

(f) Portions of Obligations. Any portion of any Obligation 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 Obligations, as applicable, for redemption, the Paying Agent shall assign numbers to each \$5,000 portion of any Obligation, as applicable, of a denomination larger than \$5,000 and shall treat each portion as a separate Obligation, as applicable, in the denomination of \$5,000 for purposes of selection for redemption. Upon surrender of any Obligation for redemption of a portion thereof, the Paying Agent shall authenticate and deliver to the registered owner thereof a new Obligation, as applicable, 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 Obligation surrendered.

SECTION 13. Obligations Sinking Fund.

(a) Deposit. There hereby is established with the Sinking Fund Depository three sinking funds to be known as the (i) Municipality of Norristown, General Obligation Notes, Series A of 2020 (Tax-Exempt) Sinking Fund (the “Series A Sinking Fund”), (ii) Municipality of Norristown, General Obligation Bonds, Series B of 2020 (Tax-Exempt) Sinking Fund (the “Series B Sinking Fund”), and (iii) Municipality of Norristown, General Obligation Notes, Series C of 2020 (Federally Taxable) Sinking Fund (the “Series C Sinking Fund”, and together with the Series A Sinking Fund and the Series B Sinking Fund, collectively, the “Sinking Funds”).

The Municipality covenants to deposit, and the proper officers hereby are authorized and directed to deposit, as follows: (i) into the Series A Sinking Fund (A) on or before each Interest Payment Date, so long as the Series A Notes remain outstanding, amounts sufficient to pay the interest due on such dates on the Series A Notes then outstanding, and (B) on or before May 1, 2023, amounts sufficient to pay the principal of the Series A Notes due on or before maturity or pursuant to the mandatory redemption requirements hereof and as further set forth in subsection (a) of Section 11 hereof; (ii) into the Series B Sinking Fund (A) on or before each Interest Payment Date, so long as the Series B Bonds remain outstanding, amounts sufficient to pay the interest due on such dates on the Series B Bonds then outstanding, and (B) on or before November 1, 2020, and on or before each November 1 thereafter, so long as the Series B Bonds remain outstanding, amounts sufficient to pay the principal of the Series B Bonds due on each such date at maturity; and (iii) into the Series C Sinking Fund (A) on or before each Interest Payment Date, so long as the Series C Notes remain outstanding, amounts sufficient to pay the interest due on such dates on the Series B Bonds then outstanding, and (B) on or before November 1, 2020, and on or before each November 1 thereafter, so long as the Series C Notes remain outstanding, amounts sufficient to pay the principal of the Series C Notes due on each such date at maturity.

Should the amounts covenanted to be paid into the Sinking Funds be, at any time, in excess of the net amounts required at such time for the payment of interest and principal of the respective Series of the Obligations, whether by reason of funds already on deposit in the Sinking Funds, or by reason of the purchase of or redemption of the Obligations, or for some similar reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

(b) Credit for Obligations Delivered. The Municipality may satisfy any part of its obligations with respect to subsection (a) above by delivering to the Paying Agent and Sinking Fund Depository, for cancellation, of Obligations, as appropriate, maturing or subject to mandatory redemption, as applicable, on the date on which such deposit is required. The Municipality shall receive credit against such deposit for the face amount of the Obligations so delivered, provided that such Obligations are delivered to and received by the Paying Agent and Sinking Fund Depository (i) on or before the maturity date of the Obligations, as applicable, for which credit is requested, in the case of a deposit required for the payment of the Obligations, as applicable, at maturity, or (ii) in the case of a deposit required to be made on a Mandatory Redemption Date, with respect to the Obligations, no later than forty-five (45) days prior to the Mandatory Redemption Date for which credit is requested.

(c) Application of Funds. All sums in the Sinking Funds shall be applied exclusively to the payment of principal and interest covenanted to be paid by Section 11 hereof as the same from time to time become due and payable and the balance of said moneys over and above the sum so required shall remain in the Sinking Funds, 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 25 hereof. The Sinking Funds shall be kept as separate accounts at the aforementioned 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 Sinking Funds the interest on the Obligations, as and when due to the registered owners on the appropriate Record Date and principal of the Obligations, as and when the same shall become due, to the registered owners thereof.

(d) Optional Deposits. Notwithstanding the foregoing, in the case of optional redemption of any or all of the Obligations, as permitted by Section 9 hereof, the proper officers of the Municipality hereby are authorized and directed to deposit to the Sinking Funds, as appropriate, from time to time before the applicable optional redemption date funds in the amount which together with the interest to be earned thereon, if any, will equal the principal of, premium, if any, and the interest to the date fixed for redemption on, the Obligations so called for redemption.

SECTION 14. Disposition of Proceeds.

(a) Obligations Clearing Account. All proceeds of the Obligations derived from the sale of the Obligations and delivered to the Paying Agent shall be deposited in the Obligations Clearing Account created pursuant to Section 21 hereof and shall be and hereby are appropriated substantially to payment of the cost of the 2020 Project, including but not limited to payment of the costs and expenses of preparing, marketing, issuing and insuring the Obligations, if applicable, and shall not be used for any other purposes, except as to any insubstantial amounts of money which may remain after fulfilling the purposes set forth herein, which minor amounts of remaining moneys shall promptly upon their determination be deposited in the respective Sinking Funds and used for the payment of interest on the Obligations.

(b) Use of Proceeds. Notwithstanding any other provision of this Section, proceeds of the Obligations may be used for purposes other than those enumerated in this Ordinance; provided that, the Municipality shall have first complied with the respective provisions of the Debt Act and the Code (as hereinafter defined) as applicable, regarding a change in the use of proceeds.

SECTION 15. Cost and Realistic Useful Life.

(a) Reasonable cost estimates have been obtained for the 2020 Project from advisers and professional consultants, each of whom is qualified by education, training and experience to provide such estimates. The cost estimate of the 2020 Project has been estimated not to exceed \$24,200,000.

(b) The estimated useful lives of the components of the Capital Project to be financed with a portion of the proceeds of the Series A Notes is hereby determined to be not less than thirty (30) years from the date of issue of the Series A Notes. The estimated useful life of the Capital Project exceeds the final maturity of the Series A Notes.

(c) The estimated useful lives of the components of the 2006 Capital Project, which was originally funded with proceeds of the 2006 Note, a portion of which 2006 Note is now being refunded with a portion of the proceeds of the Series B Bonds, is hereby amended and restated to be not less than thirty (30) years from the date of issue of the 2006 Note. The remaining estimated useful life of the 2006 Capital Project exceeds the final maturity of the Series B Bonds.

(d) The estimated useful lives of the components of the 2017A Capital Project, which was originally funded with proceeds of the 2017A Note, a portion of which 2017A Note is being refunded with a portion of the proceeds of the Series B Bonds, is hereby amended and restated to be not less than thirty (30) years from the date of issue of the 2017A Note. The remaining estimated useful life of the 2017A Capital Project exceeds the final maturity of the Series B Bonds.

(e) The estimated useful lives of the components of the Pension Projects, which were originally financed and refinanced with proceeds of the 2004 Bonds and the 2017AAA Bonds, a portion of which 2017AAA Bonds are being refunded with a portion of the Series C Notes, is hereby amended and restated to be not less than forty (40) years from the date of issue of the 2004 Bonds and the 2017AAA Bonds, respectively. The remaining estimated useful life of the Pension Projects exceed the final maturity of the Series C Notes.

(f) The estimated useful life of the Land Purchase Project to be financed with a portion of the proceeds of the Series C Notes is hereby determined to be not less than forty (40) years from the date of issue of the Series C Notes. The estimated useful life of the Land Purchase Project exceeds the final maturity of the Series C Notes.

(g) In accordance with Section 8142(b)(1) of the Debt Act, and after giving effect to the provisions of Section 8142(d) of the Debt Act, the maturities of the Obligations have been fixed so that principal of the Obligations will be amortized on an approximately level annual debt service plan.

SECTION 16. Internal Revenue Code Covenants.

(a) General. The Municipality hereby covenants with the registered owners, from time to time, of the Series A Notes and Series B Bonds that no part of the proceeds of the Series A Notes and Series B Bonds 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 Series A Notes and Series B Bonds, would have caused the Series A Notes and Series B Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (“Code”) and the Regulations thereunder proposed or in effect at the time of such use and applicable to the Series A Notes and Series B Bonds, and that it will comply with the requirements of Section 148 of the Code and the Regulations throughout the term of the Series A Notes and Series B Bonds.

(b) Rebate. The Municipality covenants that if it is not eligible for any rebate exception to the rebate requirements of the Code, the Municipality covenants that it will rebate to the United States Treasury, at the times and in the manner required by the Code, all investment income derived from investing the proceeds of the Series A Notes and Series B Bonds in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the Series A Notes and Series B Bonds at a yield not in excess of the yield on the Series A Notes and Series B Bonds.

(c) Not Qualified Tax-Exempt Obligations. The Municipality has not designated the Series A Notes and Series B Bonds and the Series A Notes and Series B Bonds are not issued as qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code.

(d) Filing. The Municipality 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 Series A Notes and Series B Bonds to be excluded from gross income for federal income tax purposes.

(e) Taxable Series. The Series C Notes are hereby authorized for issuance as an issue not exempt from federal taxation pursuant to the Code.

SECTION 17. Advertising.

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

SECTION 18. Filing with Department of Community and Economic Development.

The President or Vice President of Council and the Municipal Administrator of the Municipality, which shall include their duly qualified successors in office, if applicable, are 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 proceedings relating to the issuance of the Obligations, including, the Debt Statement and Borrowing Base Certificate required by Section 8110 of the Debt Act, and to take other necessary action to authorize, prepare and file all necessary documents with the Department of Community and Economic Development including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the Obligations from the appropriate debt limit as self-liquidating debt or subsidized debt.

It is declared that the debt to be incurred hereby is within the limitation imposed by the Debt Act upon the incurring of such debt by the Municipality.

SECTION 19. General Authorization.

The officers and officials of the Municipality including the President or Vice President of Council, and the Municipal Administrator of the Municipality, hereby are 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 Obligations, all in accordance with this Ordinance.

SECTION 20. Official Statement.

The Preliminary Official Statement prepared with respect to the Obligations hereby is approved. The President or Vice President of Council hereby is authorized to execute and approve a final Official Statement relating to the Obligations provided that the final Official Statement shall have been approved by the Municipality's solicitor. The distribution of the Preliminary Official Statement hereby is ratified

and the Purchaser hereby is authorized to use the Preliminary and the final Official Statements in connection with the sale of the Obligations. The Council of the Municipality deems the Preliminary Official Statement to be final for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), except for certain information which has been omitted in accordance with such Rule and which will be supplied with the final Official Statement.

SECTION 21. Clearing Accounts; Project and Municipality Accounts; Refunded Notes Sinking Funds and Escrow Fund.

(a) Clearing Account. The Municipality hereby creates with the Paying Agent special funds to be known as the Municipality of Norristown (i) 2020 Series A Notes Clearing Account (the “Series A Clearing Account”), (ii) 2020 Series B Bonds Clearing Account (the “Series B Bonds Clearing Account”), and (iii) 2020 Series C Notes Clearing Account (the “Series C Notes Clearing Account”, and together with the Series A Clearing Account and the Series B Clearing Account, collectively, the “Clearing Accounts”), each which shall be held as trust funds for the benefit of the Municipality until disbursed in accordance with the following provisions hereof:

(i) The Municipality shall deliver the net proceeds (including accrued interest, if any) derived from the sale of the Series A Notes to the Paying Agent for deposit to the Series A Clearing Account. Upon written direction from the Municipality signed by proper officers of the Municipality, the Paying Agent shall, out of the Series A Clearing Account: (1) pay the costs and expenses of issuance and insurance, if applicable, allocable to the Series A Notes, (2) deposit the specified amount to the capital project account hereinafter defined and described as the Capital Project Account in subsection (b) below, the funds therein to be invested as permitted by law until expended, and (3) transfer the amount of accrued interest, if any, and any balance remaining therein to the Series A Sinking Fund; and

(ii) The Municipality shall deliver the net proceeds (including accrued interest, if any) derived from the sale of the Series B Bonds to the Paying Agent for deposit to the Series B Clearing Account. Upon written direction from the Municipality signed by proper officers of the Municipality, the Paying Agent shall, out of the Series B Clearing Account: (1) pay the costs and expenses of issuance and insurance, if applicable, allocable to the Series B Bonds, (2) transfer the amount designated by the Municipality to the respective sinking funds described in subsection (c) below as required to prepay the Refunded Notes, the funds therein to be invested as permitted by law until expended, and (3) transfer the amount of accrued interest, if any, and any balance remaining therein to the Series B Sinking Fund.

(iii) The Municipality shall deliver the net proceeds (including accrued interest, if any) derived from the sale of the Series C Notes to the Paying Agent for deposit to the Series C Clearing Account. Upon written direction from the Municipality signed by proper officers of the Municipality, the Paying Agent shall, out of the Series C Clearing Account: (1) pay the costs and expenses of issuance and insurance, if applicable, allocable to the Series C Notes, (2) transfer the amount designated by the Municipality to the escrow fund described in subsection (d) below as required to redeem the Refunded 2017AAA Bonds, the funds therein to be invested as permitted by law until expended, (3) deposit the specified amount to the account of the Municipality hereinafter defined and described as the Municipality Account in subsection (e) below, and (3) transfer the amount of accrued interest, if any, and any balance remaining therein to the Series C Sinking Fund.

The written direction from the Municipality shall state the specific amount to be paid from the Clearing Accounts, 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 shall 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.

(b) Capital Project Account. The Municipality hereby creates a special account to be known as the Municipality of Norristown Series A Notes Capital Project Account (the “Capital Project Account”), which Capital Project Account shall be established in the name of the Municipality with one or more banks or financial or investment institutions designated from time to time by the Council of the Municipality, or otherwise as established by law, as depositories of the Capital Project Account (each a “Project Account Depository”), subject to clearance or collection, moneys, checks, drafts, notes, bills of exchange, acceptances, or other orders for the payment of moneys which may at any time come into its possession, with or without endorsement thereof by the Municipality, payment thereof being hereby guaranteed. Any Project Account Depository is authorized and directed to honor and pay, and to charge to the account of the Municipality, all checks, drafts, bills of exchange, acceptances, notes or orders on or against the Capital Project Account for the payment of money when drawn on or addressed to said Project Account Depository and signed and countersigned on behalf of the Municipality by proper officers of the Municipality, whether the same be payable to the order of, or in favor of the officer or person signing or countersigning them, or to any of said officers in his individual capacity, or otherwise; and whether the same be deposited to the individual credit of the officer or person signing or countersigning or to the individual credit of any other officer or person or otherwise. The signatures of any or all of the foregoing officers shall be manual. The Municipality authorizes the formation within the Capital Project Account of a subaccount for each capital project constituting part of the Capital Project.

Upon written direction from the Municipality signed by the President or Vice President of Council and the Municipal Administrator of the Municipality, the Paying Agent shall pay from funds held in the Obligations Clearing Account and transfer to the Capital Project Account held by a Project Account Depository, the sum designated to pay the costs of the Capital Project.

(c) Payment to the Holders of the Refunded Notes. The Municipality hereby directs that a portion of the proceeds of the Series B Bonds from the Series B Clearing Account and designated, as part of the 2006 Refunding Project and the 2017A Refunding Project, respectively, for the prepayment of the Refunded Notes, shall be transferred to the 2006 Noteholder and 2017A Noteholder, each as holders of the Refunded Notes, respectively, for deposit to the respective sinking funds for the 2006 Note and the 2017A Note and the prepayment thereof, which proceeds, together with other available funds, if any, shall be in an amount sufficient to pay, upon deposit and without regard to any interest or other income being earned thereon or maturity value of any investment, the outstanding principal of the Refunded Notes, respectively, together with accrued interest when and as due pursuant to the terms of the Refunded Notes, respectively, through and including, the date specified for the prepayment of the Refunded Notes.

(d) Escrow Fund. The Municipality hereby directs that a portion of the proceeds from the Series C Clearing Account and designated, as part of the 2017AAA Refunding Project for the refunding of the Refunded 2017AAA Bonds, shall be transferred to the Escrow Agent (hereinafter defined) for deposit to the Escrow Fund (hereinafter defined), which proceeds, together with other available funds, if any, shall be in an amount sufficient to pay, upon deposit with or without regard to any interest or other income being earned thereon or maturity value of any investment, the outstanding principal of the Refunded 2017AAA Bonds, together with accrued interest when and as due pursuant to the terms of the Refunded 2017AAA Bonds, thereon through and including, the date specified in the Addendum for the redemption of the Refunded 2017AAA Bonds.

(e) Municipality Account. The Municipality hereby directs that a portion of the proceeds from the Series C Clearing Account and designated for the Land Purchase Project shall be transferred to the

Municipality for deposit to the Municipality's general fund, or such other fund or funds from which such original expenditures were made for the Land Purchase Project, as reimbursement for the costs and expenses of the Land Purchase Project.

SECTION 22. Prepayment of the Refunded Notes; Redemption of Refunded Bonds.

(a) Refunded Notes Identified. The Refunded Notes shall constitute the amount of such Refunded Notes as identified pursuant to Section 4(c)(v) of this Ordinance in the Addendum.

(b) Refunded Notes Prepayment Instructions. The Municipality hereby authorizes the execution and delivery of prepayment notices or instructions for the Refunded Notes (the "Prepayment Instructions"), if determined to be necessary and appropriate, to the 2006 Noteholder and 2017A Noteholder, respectively. Any Prepayment Instructions furnished to the 2006 Noteholder and the 2017A Noteholder shall, inter alia, set forth the terms of prepayment of the Refunded Notes, respectively, in accordance with the terms of each of the Refunded Notes.

(c) Refunded Bonds Identified. The Refunded Bonds shall constitute the amount of such Refunded Bonds as identified pursuant to Section 4(c)(v) of this Ordinance in the Addendum.

(d) Refunded Bonds Redemption Call. The Municipality hereby calls for redemption, at a price of 100% of the principal amount plus accrued interest, all of the Refunded Bonds identified in the Addendum to be included in the 2017AAA Refunding Project. The Municipality hereby irrevocably directs payment from moneys to be available for such purpose in the Series C Clearing Account, and transferred therefrom to the Escrow Fund (hereinafter defined) for the refunding and redemption of the Refunded Bonds, together with interest accrued thereon and payable to, and including, the redemption date of the Refunded Bonds, as further described in the Escrow Agreement (hereinafter defined).

(e) Escrow Agreement. The Municipality hereby appoints Manufacturers and Traders Trust Company, as escrow agent (the "Escrow Agent"), under an Escrow Agreement, hereinafter defined, and hereby creates an escrow fund with respect to the Refunded Bonds (the "Escrow Fund") to effectuate the refunding and redemption of the Refunded Bonds. Proper officers of the Municipality are authorized and directed to execute, attest and deliver, on behalf of the Municipality, with the Escrow Agent, an irrevocable escrow agreement with respect to the Refunded Bonds in the form hereinafter approved (the "Escrow Agreement") providing for, inter alia, the establishment of the Escrow Fund, the investment and application of moneys to be deposited therein and such other provisions as are necessary and appropriate in connection with the redemption of the Refunded Bonds as contemplated by this Ordinance, including the execution and delivery of redemption notices for the Refunded Bonds. The Escrow Agreement shall further provide for the payment of all of the outstanding principal of the Refunded Bonds, together with accrued interest when and as due pursuant to the terms of the 2017AAA Bonds, through and including the date specified for the redemption of the Refunded Bonds. After final payment thereof, any moneys and funds remaining on deposit in the Escrow Fund shall be paid over to the Municipality for deposit into the Series C Sinking Fund and applied as set forth in Section 21 hereof.

The Escrow Agreement shall be in form and substance and contain such provisions as are satisfactory to the Escrow Agent, bond counsel, the Municipality solicitor and the proper officers of the Municipality executing the same and such form hereby is approved.

SECTION 23. Bond Insurance.

If applicable, as determined from the Addendum, the Council of the Municipality authorizes and directs the purchase from a municipal bond insurance company (the "Bond Insurer") of municipal bond guaranty insurance with respect to the Obligations. The proper officers of the Council are authorized and

directed to take all required, necessary and/or appropriate action with respect to such insurance, as contemplated in the Addendum, including the payment of the premium of such insurance.

SECTION 24. Payment of Expenses.

All expenses incurred in connection with issuance of the Obligations shall be paid out of the proceeds derived from the issuance of the respective series of Obligations and deposited in the Obligations Clearing Account. Proper officers of the Municipality and officials are authorized to sign and deliver requests for payment of such expenses.

SECTION 25. Investment.

(a) Any moneys in the Sinking Funds not required for prompt expenditure, at the direction of the Municipality, may be invested in 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 account or certificates of deposit or other interest bearing account of any bank or bank and trust company, savings and loan association or building and loan association. To the extent that the Federal Deposit Insurance Corporation or similar Federal agency insures such deposits, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds in accordance with the Debt Act. 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 of the Obligations.

(b) Any moneys in the Capital Project Account may be invested or deposited as permitted by applicable law for funds of the Municipality or as permitted under the Debt Act, as applicable. As to the Capital Project Account, proper officers or other authorized officers of the Municipality shall designate such investments in such combination as to provide safety of principal, liquidity to any construction draws and maximum investment income.

(c) Funds deposited into the Escrow Fund may, at the direction of the Municipality, be invested in accordance with the provisions of the Escrow Agreement, as necessary and applicable. The Municipality hereby authorizes and directs, if necessary, the proper officers of the Municipality, the Escrow Agent or the Purchaser, or their respective representatives, to subscribe or purchase, on behalf of, and as agent for, the Municipality, for United States Treasury Certificates of Indebtedness, Notes and Bonds—State and Local Government Series, or any appropriate combination of the above, or any other direct obligations of the United States of America, all in accordance with the Escrow Agreement, or to arrange for the purchase of noncallable securities of the Commonwealth in accordance with the Escrow Agreement or to arrange for the purchase of time deposits or certificates of deposit, which satisfy the requirements of Section 8250 of the Debt Act, in accordance with the Escrow Agreement.

SECTION 26. Authorization of Officers.

Any authorization granted to, power conferred on, or direction given to the President of Council and the Municipal Administrator and Director of Finance of the Municipality, shall be deemed to run to the Vice President of Council or Acting Municipal Administrator or Acting Director of Finance of the Municipality, 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.

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SECTION 27. Form of Series A Notes.

The form of the note for the Series A Notes shall be substantially in the form set forth in this Section with such changes thereto as shall hereafter be made upon the advice of the Municipality's solicitor and bond counsel, approval of such changes being evidenced by the execution and attestation of the Series A Notes by proper officers of the Municipality.

No.: GON-A-00_

\$_,____,000.00

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Municipality 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 inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

MUNICIPALITY OF NORRISTOWN
MONTGOMERY COUNTY, PENNSYLVANIA
GENERAL OBLIGATION NOTE
SERIES A OF 2020 (TAX-EXEMPT)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Issue</u>	<u>CUSIP</u>
%	May 1, 2023	_____, 2020	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ MILLION _____ HUNDRED _____ THOUSAND
AND 00/100 DOLLARS (\$_____,000.00)

MUNICIPALITY OF NORRISTOWN, Montgomery County, Pennsylvania (the "Municipality"), a municipality existing under the laws of the Commonwealth of Pennsylvania and a local government unit, as defined in the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented (the "Debt Act"), for value received, hereby promises to pay to the registered owner of this General Obligation Note, Series A of 2020 (Tax-Exempt), on the above stated maturity date, the above stated principal sum unless this Note shall be redeemable and duly shall have been called for previous redemption and payment of the redemption price shall have been made or provided for, and to pay semiannually on May 1 and November 1 of each year (each, an "Interest Payment Date"), beginning November 1, 2020, to the registered owner hereof, interest thereon at the above stated annual rate of interest, from the Interest Payment Date next preceding the date of registration and authentication of this Note, unless: (a) this Note is registered and authenticated as of an Interest Payment Date, in which event this Note shall bear interest from such Interest Payment Date; or (b) this Note is registered and authenticated after a Record Date (hereinafter defined) and before the succeeding Interest Payment Date, in which event this Note shall bear interest from such succeeding Interest Payment Date; or (c) this Note is registered and authenticated prior to the Record Date preceding November 1, 2020, in which event this Note shall bear interest from the Date of Issue; or (d) as shown by the records of the Paying Agent (hereinafter defined), interest on this Note shall be in default, in which event this Note shall bear interest from the date on which interest was last paid on this Note until the principal sum hereof is paid.

The principal of this Note is payable to the registered owner hereof in lawful moneys of the United States of America upon presentation hereof at the designated corporate trust office of Manufacturers and Traders Trust Company (the “Paying Agent”), in Harrisburg, Pennsylvania or Buffalo, New York. The term “Paying Agent”, when hereinafter used, also shall include any successor paying agent under the Ordinance, hereinafter defined. Payment of the interest due hereon shall be paid to the registered owner hereof by check drawn on the Paying Agent mailed to the registered owner at his address as it appears on the note register (the “Note Register”) maintained by the Paying Agent, as bond registrar, on the fifteenth (15th) day of the month (whether or not a business day) next preceding such Interest Payment Date (the “Record Date”), irrespective of any transfer or exchange of this Note subsequent to the applicable Record Date. The person in whose name this Note is registered at the close of business on any 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 Note upon any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date, except if and to the extent that the Municipality defaults in the payment of the interest due on such Interest Payment Date, in which case such defaulted interest shall be paid to the person in whose name this Note is registered at the close of business on a Special Record Date established by the Paying Agent, notice of which shall have been mailed to the registered owner of this Note not less than fifteen (15) days prior to such proposed payment date. Such notice shall be mailed to the persons in whose names the Notes 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 this Note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the municipality where the designated corporate trust office of the Paying Agent is located are authorized or required by law or executive order to close, then the date of such payment shall be the next succeeding day which 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.

This Note is one of an initially authorized series of \$____,____,000 aggregate principal amount of general obligation notes of the Municipality, known as “General Obligation Notes, Series A of 2020 (Tax-Exempt)” (herein, the “Notes”), all of like tenor, except as to dates of maturity, denominations, provisions for redemption and rates of interest, and all issued in accordance with provisions of the Debt Act under and by virtue of an ordinance of the Council of the Municipality duly enacted on May 5, 2020 (the “Ordinance”). The Debt Act, as such shall have been in effect when this Note was authorized, and the Ordinance shall constitute a contract between the Municipality and the registered owner, from time to time, of this Note. Two series of general obligation bonds or notes of the Municipality, known as (i) “General Obligation Bonds, Series B of 2020 (Tax-Exempt)”, in the aggregate principal amount of \$____,____,000, and (ii) “General Obligation Notes, Series C of 2020 (Federally Taxable)” in the aggregate principal amount of \$____,____,000, also are each authorized initially for issuance under the Ordinance.

REDEMPTION PROVISIONS

Optional Redemption. The Notes, stated to mature on May 1, 2023 are subject to redemption prior to maturity, at the option of the Municipality, in whole or in part, on ____ 1, 20__, or on any date thereafter to the above stated maturity date, upon payment of the principal amount thereof, together with accrued interest to the date fixed for redemption.

If less than all Notes are to be redeemed at any time, the Notes shall be redeemed in such order of maturity as the Municipality shall select. If less than all Notes maturing on any one date are to be redeemed at any time, the Notes to be called for redemption at such time shall be drawn by lot by the Paying Agent. In the event any Notes are in a denomination greater than \$5,000 a portion of such Notes may be redeemed,

but portions of Notes shall be redeemed only in the principal amount of \$5,000 or any whole multiple thereof.

Mandatory Redemption. The Notes are not subject to mandatory sinking fund redemption prior to maturity.

Notice of any redemption shall be given by mailing a notice of redemption by first class mail, postage prepaid, not more than forty-five (45) days nor less than twenty (20) days prior to the redemption date to the registered owners of the Notes to be redeemed at the addresses which appear in the Note Register, provided, however, that neither failure to mail such notice nor any defect in the notice so mailed or in the mailing thereof with respect to any one Note shall affect the validity of the proceedings for the redemption of any other Note. If the Municipality shall have duly given notice of redemption and shall have deposited with the Paying Agent funds for the payment of the redemption price of the Notes so called for redemption, with accrued interest thereon to the date fixed for redemption, interest on such Notes shall cease to accrue after such redemption date.

The Municipality, pursuant to recommendations made by the Committee on Uniform Security Identification Procedures (“CUSIP”), has caused CUSIP numbers to be printed on the Notes, and has directed the Paying Agent to use such numbers in notices of redemption and other notices, if any, as a convenience to the Registered Owners of the Notes. No representation is made by the Municipality as to the accuracy of such numbers either as printed on the Notes or as contained in any notice and reliance may be placed only on the identification number printed hereon.

This Note shall be transferable upon books of the Municipality kept at the aforesaid corporate trust office of the Paying Agent, by the registered owner hereof in person or by his duly authorized agent or legal representative at such corporate trust office of the Paying Agent, upon surrender hereof, together with a written instrument of transfer, in form and with guaranty of signature satisfactory to the Municipality and the Registrar, duly executed by the registered owner hereof or his duly authorized agent or legal representative, and thereupon the Municipality shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee or transferees, a new Note or Notes of any authorized denomination, of the same interest rate and maturity, and in the same aggregate principal amount as the Note so surrendered. The Municipality and the Paying Agent may treat and consider the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal of or redemption price hereof and interest due hereon and for all other purposes whatsoever.

The Municipality and the Paying Agent shall not be required to: (a) issue, or register the transfer or exchange of, this Note during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Notes to be redeemed and ending on the close of business on such date on which the applicable notice of redemption is given; or (b) register the transfer or exchange of this Note after it has been selected for redemption, in whole or in part, until after the date fixed for redemption.

No recourse shall be had for the payment of the principal of and interest on this Note, or for any claim based hereon or on the Ordinance against any member, officer or employee, past, present or future, of the Municipality or of any successor body, as such, either directly or through the Municipality or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Note.

So long as The Depository Trust Company (“DTC”) or its nominee, CEDE & CO., is the registered owner hereof, all payments of principal of and interest on this Note shall be payable in the manner and at

the respective time of payment provided for in the Letter of Representations (the “Letter of Representations”).

So long as DTC or its nominee, CEDE & CO., is the registered owner of this Note, if all or less than all of the Notes of a particular maturity are to be redeemed, the Paying Agent shall notify DTC within the time periods described in the Letter of Representations. If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected by the Municipality in any order the Municipality may decide and within a maturity by lot selected by DTC. In the event DTC or its nominee, CEDE & CO., is not the registered owner of the Notes, then the selection by lot within a maturity of the Notes to be redeemed shall be made by the Paying Agent. Any such redemption shall be upon payment of the principal amount to be redeemed, together with accrued interest to the date fixed for redemption.

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 Note or in creation of the debt of which this Note 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 Note, together with any other indebtedness of the Municipality, if any, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the Municipality. The Municipality has covenanted, in the Ordinance, with the registered owners from time to time, of the Notes which shall be outstanding, from time to time, pursuant to the Ordinance, that the Municipality, as appropriate, shall include the amount of debt service, for each fiscal year of the Municipality in which sums are payable, in its budget for that fiscal year, shall appropriate such amounts to the payment of such debt service and duly and punctually shall pay or shall cause to be paid the principal of this Note and the interest thereon at the dates and place and in the manner stated herein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the Municipality has and does pledge, irrevocably, its full faith, credit and taxing power. The Debt Act provides that the foregoing covenant of the Municipality shall be enforceable specifically.

The Municipality, in the Ordinance, 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 this Note shall be deposited not later than the date fixed for disbursement thereof. The Municipality has covenanted in the Ordinance to make payments out of such 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 all obligations of this Note.

This Note is issuable only in the form of a fully registered note, without coupons, in the denomination of \$5,000 or any whole multiple thereof. This Note, together with other Notes, at the option of the registered owner hereof, may be exchanged for an aggregate principal amount of a registered Note or Notes of the same series, designation, maturity and interest rate of any authorized denomination.

This Note shall not be entitled to any benefit under the Ordinance and shall not be valid or obligatory for any purpose until this Note shall have been authenticated by the Certificate of Authentication endorsed hereon duly signed by or in behalf of the Paying Agent.

The owner of this Note, by acceptance hereof, shall be deemed to have assented to all terms and conditions of the Ordinance.

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IN WITNESS WHEREOF, the Municipality of Norristown, Montgomery County, Pennsylvania, has caused this Note to be duly executed in its name and on its behalf by the manual signature of the

President or Vice President of Council and a manual seal to be imprinted hereon and attested by the manual signature of its Municipal Administrator or Acting Municipal Administrator.

ATTEST:

MUNICIPALITY OF NORRISTOWN,
Montgomery County, Pennsylvania

(Acting) Municipal Administrator

(Vice) President

[SEAL]

CERTIFICATE OF AUTHENTICATION AND CERTIFICATE AS TO OPINION

It is certified that:

(i) This Note is one of the Notes designated therein, described in the within mentioned Ordinance;

(ii) The Opinion of Eckert Seamans Cherin & Mellott, LLC, Harrisburg, Pennsylvania, attached hereto, is a true and correct copy of an original Opinion which was signed and dated as of the date of original delivery of the Notes and is on file at our designated corporate trust office described in the within mentioned Ordinance where the same may be inspected; and

Manufacturers and Traders Trust Company,
as Paying Agent

By: _____

Authorized Representative

DATE OF AUTHENTICATION: _____

STATEMENT OF INSURANCE

[TO BE COMPLETED]

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with

right of survivorship and

not as tenants in common

UNIF GIFT MIN ACT-

_____ (Cust)

_____ Minor)

under Uniform Gifts to Minors Act

_____ (State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT AND TRANSFER

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

Please insert Social Security or other identifying number of assignee

[Empty rectangular box for Social Security or other identifying number]

(Please print or typewrite name and address including postal zip code of transferee)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints_____ as Agent to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed: _____

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

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the Note, in every particular, without alteration or enlargement, or any change whatever.

[END FORM OF SERIES A NOTE]

SECTION 28. Form of Series B Bonds.

The form of the bond for the Series B Bonds shall be substantially in the form set forth in this Section with such changes thereto as shall hereafter be made upon the advice of the Municipality’s solicitor and bond counsel, approval of such changes being evidenced by the execution and attestation of the Series B Bonds by proper officers of the Municipality.

No.: GOB-B-00_

\$_,____,000.00

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”) to the Municipality 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 inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

MUNICIPALITY OF NORRISTOWN
MONTGOMERY COUNTY, PENNSYLVANIA
GENERAL OBLIGATION BOND

SERIES B OF 2020 (TAX-EXEMPT)

Interest Rate Maturity Date Date of Issue CUSIP
% November 1, 20__ _____, 2020

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ MILLION _____ HUNDRED _____ THOUSAND
AND 00/100 DOLLARS (\$_____,000.00)

MUNICIPALITY OF NORRISTOWN, Montgomery County, Pennsylvania (the “Municipality”), a municipality existing under the laws of the Commonwealth of Pennsylvania and a local government unit, as defined in the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented (the “Debt Act”), for value received, hereby promises to pay to the registered owner of this General Obligation Bond, Series B of 2020 (Tax-Exempt), on the above stated maturity date, the above stated principal sum unless this Bond shall be redeemable and duly shall have been called for previous redemption and payment of the redemption price shall have been made or provided for, and to pay semiannually on May 1 and November 1 of each year (each, an “Interest Payment Date”), beginning November 1, 2020, to the registered owner hereof, interest thereon at the above stated annual rate of interest, 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 succeeding Interest Payment Date, in which event this Bond shall bear interest from such succeeding Interest Payment Date; or (c) this Bond is registered and authenticated prior to the Record Date preceding November 1, 2020, in which event this Bond shall bear interest from the Date of Issue; 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 on which interest was last paid on this Bond until the principal sum hereof is paid.

The principal of this Bond is payable to the registered owner hereof in lawful moneys of the United States of America upon presentation hereof at the designated corporate trust office of Manufacturers and Traders Trust Company (the “Paying Agent”), in Harrisburg, Pennsylvania or Buffalo, New York. The term “Paying Agent”, when hereinafter used, also shall include any successor paying agent under the Ordinance, hereinafter defined. Payment of the interest due hereon shall be paid to the registered owner hereof by check drawn on the Paying Agent mailed to the registered owner at his address as it appears on the bond register (the “Bond Register”) maintained by the Paying Agent, as bond registrar, on the fifteenth (15th) day of the month (whether or not a business day) next preceding such Interest Payment Date (the “Record Date”), irrespective of any transfer or exchange of this Bond subsequent to the applicable Record Date. The person in whose name this Bond is registered at the close of business on any 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 upon any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date, except if and to the extent that the Municipality defaults in the payment of the interest due on such Interest Payment Date, in which case such defaulted interest shall be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date established by the Paying Agent, notice of which shall have been mailed to the registered owner of this Bond not less than fifteen (15) days prior to such proposed payment 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 this Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the municipality where the designated corporate trust office of the Paying Agent is located are authorized or required by law or executive order to close, then the date of such payment shall be the next succeeding day which 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.

This Bond is one of an initially authorized series of \$____,____,000 aggregate principal amount of general obligation bonds of the Municipality, known as “General Obligation Bonds, Series B of 2020 (Tax-Exempt)” (herein, the “Bonds”), all of like tenor, except as to dates of maturity, denominations, provisions for redemption and rates of interest, and all issued in accordance with provisions of the Debt Act under and by virtue of an ordinance of the Council of the Municipality duly enacted on May 5, 2020 (the “Ordinance”). The Debt Act, as such shall have been in effect when this Bond was authorized, and the Ordinance shall constitute a contract between the Municipality and the registered owner, from time to time, of this Bond. Two series of general obligation bonds or notes of the Municipality, known as (i) “General Obligation Notes, Series A of 2020 (Tax-Exempt)”, in the aggregate principal amount of \$____,____,000, and (ii) “General Obligation Notes, Series C of 2020 (Federally Taxable)”, in the aggregate principal amount of \$____,____,000, also are each authorized initially for issuance under the Ordinance.

REDEMPTION PROVISIONS

Optional Redemption. The Bonds, stated to mature on or after November 1, 20__ are subject to redemption prior to maturity, at the option of the Municipality, in whole or in part, on ____ 1, 20__, or on any date thereafter, upon payment of the principal amount thereof, together with accrued interest to the date fixed for redemption.

If less than all Bonds are to be redeemed at any time, the Bonds shall be redeemed in such order of maturity as the Municipality shall select. If less than all Bonds maturing on any one date are to be redeemed at any time, the Bonds to be called for redemption at such time shall be drawn by lot by the Paying Agent. In the event any Bonds are in a denomination greater than \$5,000 a portion of such Bonds may be redeemed, but portions of Bonds shall be redeemed only in the principal amount of \$5,000 or any whole multiple thereof.

Mandatory Redemption. The Bonds maturing on November 1, 20__ are subject to mandatory redemption prior to their stated maturity dates, in part, by lot, or by any other method deemed fair and appropriate by the Paying Agent, on the dates and in the amounts shown below upon payment of the redemption price of 100% of the principal amount, together with interest accrued to the date fixed for redemption.

November 1, 20__ Maturity

<u>Year</u>	<u>Amount</u>
20__	\$
20__	
20__	*

* At maturity

Notice of any redemption shall be given by mailing a notice of redemption by first class mail, postage prepaid, not more than forty-five (45) days nor less than twenty (20) days prior to the redemption date to the registered owners of the Bonds to be redeemed at the addresses which appear in the Bond Register, provided, however, that neither failure to mail such notice nor any defect in the notice so mailed or in the mailing thereof with respect to any one Bond shall affect the validity of the proceedings for the

redemption of any other Bond. If the Municipality shall have duly given notice of redemption and shall have deposited with the Paying Agent funds for the payment of the redemption price of the Bonds so called for redemption, with accrued interest thereon to the date fixed for redemption, interest on such Bonds shall cease to accrue after such redemption date.

The Municipality, pursuant to recommendations made by the Committee on Uniform Security Identification Procedures (“CUSIP”), has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent 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 by the Municipality 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 shall be transferable upon books of the Municipality kept at the aforesaid corporate trust office of the Paying Agent, by the registered owner hereof in person or by his duly authorized agent or legal representative at such corporate trust office of the Paying Agent, upon surrender hereof, together with a written instrument of transfer, in form and with guaranty of signature satisfactory to the Municipality and the Registrar, duly executed by the registered owner hereof or his duly authorized agent or legal representative, and thereupon the Municipality shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of any authorized denomination, of the same interest rate and maturity, and in the same aggregate principal amount as the Bond so surrendered. The Municipality and the Paying Agent may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal of or redemption price hereof and interest due hereon and for all other purposes whatsoever.

The Municipality and the Paying Agent shall not be required to: (a) issue, or register the transfer or exchange of, this Bond 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 on the close of business on such date on which the applicable notice of redemption is given; or (b) register the transfer or exchange of this Bond after it has been selected for redemption, in whole or in part, until after the date fixed for redemption.

No recourse shall be had for the payment of the principal of and interest on this Bond, or for any claim based hereon or on the Ordinance against any member, officer or employee, past, present or future, of the Municipality or of any successor body, as such, either directly or through the Municipality or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

So long as The Depository Trust Company (“DTC”) or its nominee, CEDE & CO., is the registered owner hereof, all payments of principal of and interest on this Bond shall be payable in the manner and at the respective time of payment provided for in the Letter of Representations (the “Letter of Representations”).

So long as DTC or its nominee, CEDE & CO., is the registered owner of this Bond, if all or less than all of the Bonds of a particular maturity are to be redeemed, the Paying Agent shall notify DTC within the time periods described in the Letter of Representations. If less than all of the Bonds are to be redeemed, the Bonds to be redeemed shall be selected by the Municipality in any order the Municipality may decide and within a maturity by lot selected by DTC. In the event DTC or its nominee, CEDE & CO., is not the registered owner of the Bonds, then the selection by lot within a maturity of the Bonds to be redeemed shall be made by the Paying Agent. Any such redemption shall be upon payment of the principal amount to be redeemed, together with accrued interest to the date fixed for redemption.

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 Municipality, if any, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the Municipality. The Municipality has covenanted, in the Ordinance, with the registered owners from time to time, of the Bonds which shall be outstanding, from time to time, pursuant to the Ordinance, that the Municipality, as appropriate, shall include the amount of debt service, for each fiscal year of the Municipality in which sums are payable, in its budget for that fiscal year, shall appropriate such amounts to the payment of such debt service and duly and punctually shall pay or shall cause to be paid the principal of this Bond and the interest thereon at the dates and place and in the manner stated herein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the Municipality has and does pledge, irrevocably, its full faith, credit and taxing power. The Debt Act provides that the foregoing covenant of the Municipality shall be enforceable specifically.

The Municipality, in the Ordinance, 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 this Bond shall be deposited not later than the date fixed for disbursement thereof. The Municipality has covenanted in the Ordinance to make payments out of such 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 all obligations of this Bond.

This Bond is issuable only in the form of a fully registered bond, without coupons, in the denomination of \$5,000 or any whole multiple thereof. This Bond, together with other Bonds, at the option of the registered owner hereof, may be exchanged for an aggregate principal amount of a registered Bond or Bonds of the same series, designation, maturity and interest rate of any authorized denomination.

This Bond shall not be entitled to any benefit under the Ordinance and shall not be valid or obligatory for any purpose until this Bond shall have been authenticated by the Certificate of Authentication endorsed hereon duly signed by or in behalf of the Paying Agent.

The owner of this Bond, by acceptance hereof, shall be deemed to have assented to all terms and conditions of the Ordinance.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Municipality of Norristown, Montgomery County, Pennsylvania, has caused this Bond to be duly executed in its name and on its behalf by the manual signature of the President or Vice President of Council and a manual seal to be imprinted hereon and attested by the manual signature of its Municipal Administrator or Acting Municipal Administrator.

ATTEST:

MUNICIPALITY OF NORRISTOWN,
Montgomery County, Pennsylvania

(Acting) Municipal Administrator

(Vice) President

[SEAL]

CERTIFICATE OF AUTHENTICATION AND CERTIFICATE AS TO OPINION

It is certified that:

(i) This Bond is one of the Bonds designated therein, described in the within mentioned Ordinance;

(ii) The Opinion of Eckert Seamans Cherin & Mellott, LLC, Harrisburg, Pennsylvania, attached hereto, is a true and correct copy of an original Opinion which was signed and dated as of the date of original delivery of the Bonds and is on file at our designated corporate trust office described in the within mentioned Ordinance where the same may be inspected; and

Manufacturers and Traders Trust Company,
as Paying Agent

By: _____
Authorized Representative

DATE OF AUTHENTICATION: _____

STATEMENT OF INSURANCE

[TO BE COMPLETED]

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common	UNIF GIFT MIN ACT-
TEN ENT - as tenants by the entireties	_____ (Cust)
JT TEN - as joint tenants with	_____ Minor)
right of survivorship and	under Uniform Gifts to Minors Act
not as tenants in common	_____ (State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT AND TRANSFER

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

Please insert Social Security
or other identifying number
of assignee

[Empty box for Social Security or other identifying number]

(Please print or typewrite name and address including postal zip code of transferee)

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

Dated: _____

Signature Guaranteed: _____

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

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the Bond, in every particular, without alteration or enlargement, or any change whatever.

[END FORM OF BOND]

SECTION 29. Form of Series C Notes.

The form of the note for the Series C Notes shall be substantially in the form set forth in this Section with such changes thereto as shall hereafter be made upon the advice of the Municipality’s solicitor and bond counsel, approval of such changes being evidenced by the execution and attestation of the Series C Notes by proper officers of the Municipality.

No.: GON-C-00_

\$_____,000.00

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”) to the Municipality 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 inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

MUNICIPALITY OF NORRISTOWN
MONTGOMERY COUNTY, PENNSYLVANIA
GENERAL OBLIGATION NOTE
SERIES C OF 2020 (FEDERALLY TAXABLE)

Interest Rate Maturity Date Date of Issue CUSIP
% November 1, 20__ _____, 2020

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ MILLION _____ HUNDRED _____ THOUSAND
AND 00/100 DOLLARS (\$ _____,000.00)

MUNICIPALITY OF NORRISTOWN, Montgomery County, Pennsylvania (the “Municipality”), a municipality existing under the laws of the Commonwealth of Pennsylvania and a local government unit, as defined in the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and

supplemented (the “Debt Act”), for value received, hereby promises to pay to the registered owner of this General Obligation Note, Series C of 2020 (Federally Taxable), on the above stated maturity date, the above stated principal sum unless this Note shall be redeemable and duly shall have been called for previous redemption and payment of the redemption price shall have been made or provided for, and to pay semiannually on May 1 and November 1 of each year (each, an “Interest Payment Date”), beginning November 1, 2020, to the registered owner hereof, interest thereon at the above stated annual rate of interest, from the Interest Payment Date next preceding the date of registration and authentication of this Note, unless: (a) this Note is registered and authenticated as of an Interest Payment Date, in which event this Note shall bear interest from such Interest Payment Date; or (b) this Note is registered and authenticated after a Record Date (hereinafter defined) and before the succeeding Interest Payment Date, in which event this Note shall bear interest from such succeeding Interest Payment Date; or (c) this Note is registered and authenticated prior to the Record Date preceding November 1, 2020, in which event this Note shall bear interest from the Date of Issue; or (d) as shown by the records of the Paying Agent (hereinafter defined), interest on this Note shall be in default, in which event this Note shall bear interest from the date on which interest was last paid on this Note until the principal sum hereof is paid.

The principal of this Note is payable to the registered owner hereof in lawful moneys of the United States of America upon presentation hereof at the designated corporate trust office of Manufacturers and Traders Trust Company (the “Paying Agent”), in Harrisburg, Pennsylvania or Buffalo, New York. The term “Paying Agent”, when hereinafter used, also shall include any successor paying agent under the Ordinance, hereinafter defined. Payment of the interest due hereon shall be paid to the registered owner hereof by check drawn on the Paying Agent mailed to the registered owner at his address as it appears on the note register (the “Note Register”) maintained by the Paying Agent, as bond registrar, on the fifteenth (15th) day of the month (whether or not a business day) next preceding such Interest Payment Date (the “Record Date”), irrespective of any transfer or exchange of this Note subsequent to the applicable Record Date. The person in whose name this Note is registered at the close of business on any 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 Note upon any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date, except if and to the extent that the Municipality defaults in the payment of the interest due on such Interest Payment Date, in which case such defaulted interest shall be paid to the person in whose name this Note is registered at the close of business on a Special Record Date established by the Paying Agent, notice of which shall have been mailed to the registered owner of this Note not less than fifteen (15) days prior to such proposed payment date. Such notice shall be mailed to the persons in whose names the Notes 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 this Note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the municipality where the designated corporate trust office of the Paying Agent is located are authorized or required by law or executive order to close, then the date of such payment shall be the next succeeding day which 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.

This Note is one of an initially authorized series of \$____,000 aggregate principal amount of general obligation notes of the Municipality, known as “General Obligation Notes, Series C of 2020 (Federally Taxable)” (herein, the “Notes”), all of like tenor, except as to dates of maturity, denominations, provisions for redemption and rates of interest, and all issued in accordance with provisions of the Debt Act under and by virtue of an ordinance of the Council of the Municipality duly enacted on May 5, 2020 (the “Ordinance”). The Debt Act, as such shall have been in effect when this Note was authorized, and the Ordinance shall constitute a contract between the Municipality and the registered owner, from time to time, of this Note. Two series of general obligation bonds or notes of the Municipality, known as (i) “General

Obligation Notes, Series A of 2020 (Tax-Exempt)", in the aggregate principal amount of \$____,____,000, and (ii) "General Obligation Bonds, Series B of 2020 (Tax-Exempt)", in the aggregate principal amount of \$____,____,000, also are each authorized initially for issuance under the Ordinance.

REDEMPTION PROVISIONS

Optional Redemption. The Notes, stated to mature on or after November 1, 20__ are subject to redemption prior to maturity, at the option of the Municipality, in whole or in part, on ____ 1, 20__, or on any date thereafter, upon payment of the principal amount thereof, together with accrued interest to the date fixed for redemption.

If less than all Notes are to be redeemed at any time, the Notes shall be redeemed in such order of maturity as the Municipality shall select. If less than all Notes maturing on any one date are to be redeemed at any time, the Notes to be called for redemption at such time shall be drawn by lot by the Paying Agent. In the event any Notes are in a denomination greater than \$5,000 a portion of such Notes may be redeemed, but portions of Notes shall be redeemed only in the principal amount of \$5,000 or any whole multiple thereof.

Mandatory Redemption. The Notes maturing on November 1, 20__ are subject to mandatory redemption prior to their stated maturity dates, in part, by lot, or by any other method deemed fair and appropriate by the Paying Agent, on the dates and in the amounts shown below upon payment of the redemption price of 100% of the principal amount, together with interest accrued to the date fixed for redemption.

November 1, 20__ Maturity

<u>Year</u>	<u>Amount</u>
20__	\$
20__	
20__	*

* At maturity

Notice of any redemption shall be given by mailing a notice of redemption by first class mail, postage prepaid, not more than forty-five (45) days nor less than twenty (20) days prior to the redemption date to the registered owners of the Notes to be redeemed at the addresses which appear in the Note Register, provided, however, that neither failure to mail such notice nor any defect in the notice so mailed or in the mailing thereof with respect to any one Note shall affect the validity of the proceedings for the redemption of any other Note. If the Municipality shall have duly given notice of redemption and shall have deposited with the Paying Agent funds for the payment of the redemption price of the Notes so called for redemption, with accrued interest thereon to the date fixed for redemption, interest on such Notes shall cease to accrue after such redemption date.

The Municipality, pursuant to recommendations made by the Committee on Uniform Security Identification Procedures ("CUSIP"), has caused CUSIP numbers to be printed on the Notes, and has directed the Paying Agent to use such numbers in notices of redemption and other notices, if any, as a convenience to the Registered Owners of the Notes. No representation is made by the Municipality as to the accuracy of such numbers either as printed on the Notes or as contained in any notice and reliance may be placed only on the identification number printed hereon.

This Note shall be transferable upon books of the Municipality kept at the aforesaid corporate trust office of the Paying Agent, by the registered owner hereof in person or by his duly authorized agent or legal representative at such corporate trust office of the Paying Agent, upon surrender hereof, together with a

written instrument of transfer, in form and with guaranty of signature satisfactory to the Municipality and the Registrar, duly executed by the registered owner hereof or his duly authorized agent or legal representative, and thereupon the Municipality shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee or transferees, a new Note or Notes of any authorized denomination, of the same interest rate and maturity, and in the same aggregate principal amount as the Note so surrendered. The Municipality and the Paying Agent may treat and consider the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal of or redemption price hereof and interest due hereon and for all other purposes whatsoever.

The Municipality and the Paying Agent shall not be required to: (a) issue, or register the transfer or exchange of, this Note during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Notes to be redeemed and ending on the close of business on such date on which the applicable notice of redemption is given; or (b) register the transfer or exchange of this Note after it has been selected for redemption, in whole or in part, until after the date fixed for redemption.

No recourse shall be had for the payment of the principal of and interest on this Note, or for any claim based hereon or on the Ordinance against any member, officer or employee, past, present or future, of the Municipality or of any successor body, as such, either directly or through the Municipality or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Note.

So long as The Depository Trust Company (“DTC”) or its nominee, CEDE & CO., is the registered owner hereof, all payments of principal of and interest on this Note shall be payable in the manner and at the respective time of payment provided for in the Letter of Representations (the “Letter of Representations”).

So long as DTC or its nominee, CEDE & CO., is the registered owner of this Note, if all or less than all of the Notes of a particular maturity are to be redeemed, the Paying Agent shall notify DTC within the time periods described in the Letter of Representations. If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected by the Municipality in any order the Municipality may decide and within a maturity by lot selected by DTC. In the event DTC or its nominee, CEDE & CO., is not the registered owner of the Notes, then the selection by lot within a maturity of the Notes to be redeemed shall be made by the Paying Agent. Any such redemption shall be upon payment of the principal amount to be redeemed, together with accrued interest to the date fixed for redemption.

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 Note or in creation of the debt of which this Note 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 Note, together with any other indebtedness of the Municipality, if any, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the Municipality. The Municipality has covenanted, in the Ordinance, with the registered owners from time to time, of the Notes which shall be outstanding, from time to time, pursuant to the Ordinance, that the Municipality, as appropriate, shall include the amount of debt service, for each fiscal year of the Municipality in which sums are payable, in its budget for that fiscal year, shall appropriate such amounts to the payment of such debt service and duly and punctually shall pay or shall cause to be paid the principal of this Note and the interest thereon at the dates and place and in the manner stated herein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the Municipality has and does pledge, irrevocably, its full faith, credit and taxing power. The Debt Act provides that the foregoing covenant of the Municipality shall be enforceable specifically.

The Municipality, in the Ordinance, 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 this Note shall be deposited not later than the date fixed for disbursement thereof. The Municipality has covenanted in the Ordinance to make payments out of such 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 all obligations of this Note.

This Note is issuable only in the form of a fully registered note, without coupons, in the denomination of \$5,000 or any whole multiple thereof. This Note, together with other Notes, at the option of the registered owner hereof, may be exchanged for an aggregate principal amount of a registered Note or Notes of the same series, designation, maturity and interest rate of any authorized denomination.

This Note shall not be entitled to any benefit under the Ordinance and shall not be valid or obligatory for any purpose until this Note shall have been authenticated by the Certificate of Authentication endorsed hereon duly signed by or in behalf of the Paying Agent.

The owner of this Note, by acceptance hereof, shall be deemed to have assented to all terms and conditions of the Ordinance.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Municipality of Norristown, Montgomery County, Pennsylvania, has caused this Note to be duly executed in its name and on its behalf by the manual signature of the President or Vice President of Council and a manual seal to be imprinted hereon and attested by the manual signature of its Municipal Administrator or Acting Municipal Administrator.

ATTEST:

MUNICIPALITY OF NORRISTOWN,
Montgomery County, Pennsylvania

(Acting) Municipal Administrator

(Vice) President

[SEAL]

CERTIFICATE OF AUTHENTICATION AND CERTIFICATE AS TO OPINION

It is certified that:

(i) This Note is one of the Notes designated therein, described in the within mentioned Ordinance;

(ii) The Opinion of Eckert Seamans Cherin & Mellott, LLC, Harrisburg, Pennsylvania, attached hereto, is a true and correct copy of an original Opinion which was signed and dated as of the date of original delivery of the Notes and is on file at our designated corporate trust office described in the within mentioned Ordinance where the same may be inspected; and

Manufacturers and Traders Trust Company,
as Paying Agent

By: _____
Authorized Representative

DATE OF AUTHENTICATION: _____

STATEMENT OF INSURANCE

[TO BE COMPLETED]

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common	UNIF GIFT MIN ACT-
TEN ENT - as tenants by the entireties	_____ (Cust)
JT TEN - as joint tenants with	_____ Minor)
right of survivorship and	under Uniform Gifts to Minors Act
not as tenants in common	_____ (State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT AND TRANSFER

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

Please insert Social Security
or other identifying number
of assignee

(Please print or typewrite name and address including postal zip code of transferee)

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

Dated: _____

Signature Guaranteed:

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

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the Note, in every particular, without alteration or enlargement, or any change whatever.

SECTION 30. Ratification.

The Municipality hereby ratifies and confirms authorization to the Solicitor to the Municipality, Kilkenny Law, LLC, Bond Counsel, Eckert Seamans Cherin & Mellott, LLC, Harrisburg, Pennsylvania, the financial advisor, Davenport & Company and the Purchaser to undertake the necessary steps or to take necessary action relating to the marketing and issuance of the Obligations, including but not limited to the preparation and distribution of the Preliminary Official Statement.

SECTION 31. Disclosure Covenants.

In accordance with Rule 15c2-12 (the “Rule”) promulgated under the Securities Exchange Act of 1934, as amended, the Municipality hereby covenants, with and for the benefit of the holders and beneficial owners (which shall include any person or entity that has a pecuniary interest in any of the Obligations) from time to time of the Obligations, to provide to the Municipal Securities Rulemaking Board (the “MSRB”) in the manner prescribed by the MSRB (currently through the MSRB’s Electronic Municipal Market Access System (the “EMMA System”), on an annual basis, certain annual financial information and operating data and notices of certain events as more fully set forth in the Municipality’s Continuing Disclosure Certificate, to be dated and executed concurrently with the issuance of the Obligations (the “Certificate”).

Such Certificate shall be executed and delivered to satisfy the terms and conditions of the accepted Bond Purchase Agreement for sale of the Obligations and the Rule, and shall be substantially in the form previously utilized by the Municipality, together with any changes therein made and approved by the Proper Officer executing the same, whose execution and delivery thereof shall constitute conclusive evidence of such approval.

The Municipality 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 Ordinance, failure of the Municipality to comply with the Certificate shall not be considered an event of default with respect to the Obligations; however, any registered owner of the Obligations may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Municipality to comply with its obligations under this Section and such Certificate.

SECTION 32. Severability.

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

SECTION 33. Repealer.

Any resolutions or ordinances, or parts thereof, not in accordance with this Ordinance hereby are repealed insofar as they conflict with this Ordinance.

ENACTED by the Council of the Municipality of Norristown, in lawful session assembled, this 5th day of May, 2020.

ATTEST:

MUNICIPALITY OF NORRISTOWN
Montgomery County, Pennsylvania

Municipal Administrator

By: _____
(Vice) President

(SEAL)

SCHEDULE A

\$13,500,000
MUNICIPALITY OF NORRISTOWN
MONTGOMERY COUNTY, PENNSYLVANIA
GENERAL OBLIGATION NOTES
SERIES A OF 2020 (TAX-EXEMPT)

MAXIMUM DEBT SERVICE

Interest Accrues From: _____, 2020

Due: May 1, as shown below

SCHEDULE B

\$8,500,000

MUNICIPALITY OF NORRISTOWN
MONTGOMERY COUNTY, PENNSYLVANIA
GENERAL OBLIGATION BONDS
SERIES B OF 2020 (TAX-EXEMPT)

MAXIMUM DEBT SERVICE

Interest Accrues From: _____, 2020

Due: November 1, as shown below

SCHEDULE C

\$2,200,000

MUNICIPALITY OF NORRISTOWN
MONTGOMERY COUNTY, PENNSYLVANIA
GENERAL OBLIGATION NOTES
SERIES C OF 2020 (FEDERALLY TAXABLE)

MAXIMUM DEBT SERVICE

Interest Accrues From: _____, 2020

Due: November 1, as shown below

CERTIFICATE

I, the undersigned, Municipal Administrator of the Municipality of Norristown, Montgomery County, Pennsylvania (the “**Municipality**”), certify that: the foregoing Ordinance was enacted by the affirmative vote of a majority of the entire Council of the Municipality at a meeting convened and held according to law on May 5, 2020; said Ordinance was enacted by an aye and nay vote; said Ordinance and the vote thereon has been recorded in the minutes of said meeting; and said Ordinance remains in effect, unaltered and unamended, as of the date of this Certificate.

I further certify that the meeting at which the Council of the Municipality enacted said Ordinance was a public meeting duly held after giving public notice of the date, time and place of such meeting by posting, publishing and mailing such notice at the time and in the manner required by the Sunshine Act, 65 Pa. C.S. § 701 *et seq.*, as amended.

IN WITNESS WHEREOF, I affix my hand and the official seal of the Municipality, this 5th day of May, 2020.

Municipal Administrator

(SEAL)